P193

G.R.S. IX-5]

Previous references.

1979.

(Police)

File No. 57-19

Serial Nos. 1-54.

Later references.

Pol dep. No. 314-22.

Pol 134-22, (1-21).

Preserve.

M. 6.6.42

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Fifty four.

Part B for

SUBJECT

Proceedings against the Mysore Government Security Life and Marriage Assurance Co. Ltd, Mysore.

8(54) To The Secy. to the Hon'ble the Resident

No. pol 21 dated 6.7.22

forwards a copy of the judgment

in the case against the Company.

10/11/22.

G. R. S. III—1] 1919.

GENERAL AND REVENUE SECRETARIAT.

(Police)

NOTES.

File No. 5

FILE HEADING.

"Affairs of the Mysore Govt - Security Life & Marriage Assurance Coy Ltd. Mysore

From

No.	Dated	Received

Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

NOTES—First Sheet.

G.R.S. III–3]

1770

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

J1594

D.O. no. 399 of 17.1.18 from Major E.H. Jones requesting to be furnished with certain information regarding the Mysore Govt. Security Life & Marriage Assurance Co. Ltd., Mysore.

Subd. with a draft D.O. to the I.G. of Police in Mysore.

BS. 18.1.18.

2) Jones 19/1

Do. K.K. Sundara Iyer D.O. no. 2,122 of 21.1.18

From the same officer D.O. 4.3.18

Requests to obtain and forward a copy of the Hubli to Londi line to Londi

3) Subd. Copies of Acts are available here but not copies of the Rules. May Residency accounts be applied for?

BS. 4.2.18.

GRSM. SL.466

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

G.R.S. III–3]

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

---

5) Subd. with a Draft for the H. Resident

BS. 5.2.18.

To, The H. A. Resident
No. 1735 27.2.18

Requests to ... and ... a ... in ... to ... 20 ... and ... and ... 2 ... and ...

J 2064-17

Letter No 15-88 dt 1.3.18 from the H. Resident enquiring as to what rules under Provident Societies is required ... Govt. of India ... Gazette for the rules under the Indian Life Insurance Companies Act.

) The Rules under the Provident Societies Act can be seen relating to the C. Civil. Station Library

N.B.—Should routine notes be written on small slips, they must be copied, or slips pasted on this form.

H. 4.3.18. orders with a Draft.

GRSM. SL.469.

G.R.S. III–3]

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

G.R.S. III–3] 2408

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

1. Firearms Acts 1st VIII 1914
Containing the [illegible]
14th and the Regulations
2. Order of Exemption. 1st T for
Hyde Beer 113 Containing the
Rules and the Register
3. Rules applicable to Exemption
[illegible]

J 2408-17

F.O. No 26028/7.4.18 from
The J.A Register regarding
for an early reply.

11) Subd. A routine
Reminder was issued on
8-4-18. to the Dy Chief Police

B.H. 10.4.18. [illegible] 10/4

12) Issued Reminder enquiring whether reply to communication of 1/4/17 had been sent

13) Draft F.O. sent. B.H. 11.4.18.

14) Issued

Draft returned no. J 4267 B/16.4.18.

Sent A 18/4

11/T

Nil

Nil
destroyed.

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

G.R.S. III—3]

DIARY No. 6861-

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

G.A.

J 2876

Do no. 166 97 1/5.6.18 from
Sr. Srinivasaiyan. J.S. & Police
in regard reporting the result
of the enquiry made in the
matter.

15) Subd. with a draft
Do to the 7-A. Resident.
After its issue this may be
sent to Br VI for taking
action as suggested by
Sr. Srinivasaiyan in
para 3 of his letter & for
intimating the result
to the 7 A. R.

B.S.
11.6.18. WC (16) 11/6/18

Draft Do issued to the 7 A.
Resident no. PR 1172 97 12.6.18.

17) Subd. This may be
sent to Br VI for taking further
action.

B.S.
13.6.18 WC(18) 13/6/18

(19) May this correspondence
be forwarded unofficially
to the Registrar of J.S. Companies
for favour of taking

SEC)

SEC)

N. B.—Should routine notes be written on small slips, the notes must be copied or slips pasted on this form.

GRSM.592

6861 5976

G.R.S. III—3]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

necessary action and reporting the result to Govt.

29.2.20) I am waived N.O. with compliments to the Registrar of Stock Companies for favour of useful action

B. V. Bhashyam
23/2
Dy. Accts. Gl.

GEN. [illegible]
1 - MAR 1919

H.O. No. 68 of 17-18
24.6.18.

No. 759
27-2-19

21) The periodical statements submitted by the Company are being scrutinised and a report will be -- submitted to Government as soon as there is reasonable presumption that the affairs of the Company are unsatisfactory. I submit for information copy of a letter I have addressed to the Managing Director -- calling for explanation regarding certain irregularities.

C. Rangamannar
Satvik
REGISTRAR.

N.P.S:

6349

DIARY 5976

SECTION

44)

48

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

W.D. 81—GPB—60,000—20-7-18

2) Rules for orders 26.2.19.
Accts. further
4/3/19

No. 745
Excl.

Office of the Registrar of
Joint Stock Companies in Mysore.

Bangalore, 26th February 1919

From

C. Ranganatha Rao Sahib, Esq., B. A., B. L.,
Registrar of Joint Stock Companies in Mysore.
BANGALORE.

To.

The Chief Organizer,
Mysore Government Security Marriage & Life Assur
-ance Company Ltd., Chattanhalli Road, Mysore.

S i r ,

I have the honour to acknowledge your letter No. 1143/2897 dated 12-8-18 giving particulars of certain -- items in your balance sheet for the year 1915. I shall be glad to know whether the Directors of the Mutual property Investment Company have any connection with the -- present Directors of your Company.

In regard to the balance sheet of the year ending 1917 the chief source of income of your Company would appear to be the amount saved by forfeiture of shares. I do not quite see from the Memorandum of Association the exact nature of your business and I shall be glad to have it explained to me specially in view of the fact that -- advertisements purporting to issue from your Company have been forwarded to me to the effect that "you insure lives without premium, grant loans without interest and security, and remit principal amounts by receiving mere interest". I shall therefore be glad to have a detailed account of the nature of your present business.

I should also be glad to know when the balance sheet for the year ending 1918 will be forwarded to me. In this connection, I may mention that according to the

the new Regulation the accounts of your Company have to be audited by a certificated Auditor.

I would also invite your attention to the fact that a cover enclosing a communication received from your office on the 2nd August 1918 containing advertisements regarding your Company does not give the paid up and subscribed capital but only mentions particulars regarding the authorised capital. Please explain why no action should be taken against your Company under -- section 75 clause (2).

I have the honour to be,

S i r ,

Your most obedient servant,

C Ranganatha Rao Sahib

N.P.S. R E G I S T R A R.

G. R. S. III-2]

General and Revenue Secretariat. | File No. 5916 of 191 | (7)

Serial No.

24) The Registrar's note of the 26th Feb. does not seem to dispose of the case satisfactorily. Draft letter calling for a detailed report re-fleecing requested by the Residency

Recd 14/5

25) Subd with a Dft as suggested

Sd/- 15.5.19 (Sd) (15/5)

26) Issued 17/5

27) May a reminder issue to the Regr since a reply is due to the Resy?

28) Subd 14/6 (Sd) 16/6 (Cy)

29) Issued 16/6

30) Reminder subd Bds 17/6. (Sd) 17/6 (Cy) 31) Issued 16/6

11. Letter no 152/6 dt 1/2. 7.19 from the Regr of F. S Cos in Mysore States that the ~~fleecing~~ state of fleecing in the Co is very unsatisfactory & proposes the appointment of an Inspector with knowledge of ac

NOTE—Contn. sheet.

experience for enquiring into the affairs of the Co & submitting a detailed report in the matter.

3rd) The Co has a small paid up capital amounting to Rs 445-0/- on 31st Dec 1917, and it has its branches at Madras, Bombay, Calcutta, Lahore & other places. Copies of its Prospectus ~~issued by the Co~~ ~~are freely circulated among the public~~ referring to its branches outside Mysore are freely circulated among the public, though a copy of it is not in the file. An enquiry, if ordered, may throw much light on the real working of the Co.

4th) Subd for orders.

7.7.19.

7/7/19

Secy 7/7

34) This is a company which has earned a bad name both in Mysore & outside and a detailed examination of its ~~circulation~~ conditions is necessary. If an Inspector with a knowledge of technical science can be lent he may be appointed. The Secretary Insurance Committee may be requested

NOTE—Contn. sheet.

General and Revenue Secretariat. | I & C File No. 96 582 / 1 582 of 1919. (9

Serial No.

to lend the services of a competent man through the Civil

8/7/..

35) Subd with Off.
Sec Secy
9.7.19. 9/7/19. 36) Done
MK 10-7-19

12 — Letter no 473 d 11.7.19 to the Regr of J.S. Cos
States that any name if available may be proposed for the Insp's appointment for examining the affairs of the Company, & proposes that the Secy, M. S. & J. Committee may be requested through the Comptr to lend the services of a competent official for the purpose

13 D.O. Letter no 5719/2 d 21.7.19 from the
T.A. Resident.
Forwards copies of two further letters received from the Actuary to the Govt of India relating to the above Co, & requests information as to when the reply promised in this office letter Pol no 1172 d 12-6-18 might be expected.

37) Subd for orders.
Sec 38) In pencil. A copy of this
24.7.19 24/7/19 Report of the Registrar of J.S. Cos may be sent to the Resident with the further information that the affairs

FE—Contn. sheet.

(9

G.R.S. III—3]

Routine Notes. 776

[To be used only for notes, requisitions, etc., not intended for permanent record.]

SENT (4)

This paper was found torn into two pieces on the back of recording

Letter no 333 dt 28.7.19 from the Registrar of J.S. Cos, forwarding copy of communication no 360/1993 A dt 14.7.19 from the managing Dr of the Mysore Govt Security Marriage & Life Assce Co Ltd, Mysore, ~~expressing gratitude~~ addressed to him expressing gratitude for recommending the appointment of an Inspector for examining the affairs of his Co.

The file is being dealt with in the Chief Sectt. This may perhaps be also transferred to that Section.

SENT (5)

Letter no 370/1 dt 13.8.19 from the Registrar of J.S. Cos in Mysore.

Forwards copy of the reply he has received from the Secy, M.d.J.C's office stating that no hands can be spared for enquiring the affairs of the Mysore Govt Security Marriage & Life Assce Co Ltd, & requests that the Comptr may be addressed from this office to spare a competent accountant for the purpose.

The file is being dealt with

G. R. S. III-2]

General and Revenue Secretariat.

582/2051

File No. of 191 .

Serial No.

of the Company with [illegible] in detail by an expert and a detailed report sent in due course.

Secy (Fin)

24.7.49

39) It is not necessary to send a draft of the report may be communicated after the action taken by Govt in connection with examination the accounts of the Company's Agency. I find the matter has all along been dealt with in the Chief Secretariat. The reply to the Resolution may be sent from the Chief Secretariat

24/7/49

40) Draft of a D.O. is submitted.

SSR 5/8 Asst 1749

41) Please put up clear draft.

D. M. 12/8

42) Clean draft submitted

SSR 11/8 Asst 16/8

43) A. Wyle's reply is awaited.

D. M. 16/8

Chief Secy

NOTE—Contn. sheet.

Serial No.

(4(a)) Draft reply to Regr may be approved ~~to be sent~~ Before ordering an investigation under Sec 138 Companies' Regn, certain preliminaries have to be satisfied & one of these is that there should be a report by the Registrar under sec 137 (5).

(4(b)) A perusal of the latter section shows that the Regr is to report to Govt after calling for information re & if he finds the information unsatisfactory or if it is not supplied.

(4(c)) I do not think that the present report will be held to satisfy that section. It is best that the Registrar with the help of a competent Accountant or Actuary cross examines the Company so to say & probes into its affairs so far as he can. If he then finds the state of affairs ~~not~~ unsatisfactory investigation under sec 138 may be ordered. ~~The~~ With a view to help him in his enquiries, he & the Regr may perhaps send the available papers to the Govt of India Actuary & ascertain the points & directions of further enquiry.

(4(d)) There is no ~~doubt~~ mark doubt that the concern is a fraud but we have

(1 (copy of the Registrar's portion)

(2

NOTE—Contn. sheet.

Re affairs of the Mysore Govt Security Life and Marriage Assurance Co. Ltd, Mysore

G. R. S. III-2]

General and Revenue Secretariat. | File No. | of 191 .

Serial No.

apparently to deal with clever rogues who know how to keep on the right side of the law in small matters.

3rd Member

CSY 18/8/19 Tm. 18/8

331 19.8.19

48) The drafts & the Revenue is approved & may issue.

49) I am afraid that the action taken in this case has not been suggested promptly & readily.

50) Though the first communication from the Revenue was sent so far back as Jan 18 we have not still progressed much in the investigation of the case. The matter was referred to the Registrar of Joint Companies in June 18 after 8 months he returned the papers with an incomplete. Reply in Feb 19 i.e. after another 8 months he has recommended in his letter of 15th Aug 1919 the appt of an Inspector under Sec 10 of the Mysore Companies Regulation & Encouragement & audit the Companies accounts.

51) Action should be taken without further delay for the appointment of an Inspector. This in connection with the Registrar the further progress must with the case of the Mysore & Every attempt must be made to bring it to a close within 3 months.

ds 21/8/19

NOTE.—Contn. sheet.

G. R. S. III-2,

General and Revenue Secretariat.

Police File No. 57 of 1917.

Serial No.

DEWAN'S OFFICE.
Recd. on AUG 22 1919
Reg. No. 1293

Dewan

52) 91 & a fair wk lemon P. M. 21/8
& will attend to pay his business.
It is high time that the rowdy element
menace is ended. A searching enq
report may be submitted thereon
until the finale is reached

23.8.19

53) Issue letter to Regr.
& resubmit with a draft to Regr
J.S. Companies following my note

25/8

To The J. A. Resident.
D.O. No. Pol 239 dt 25th Aug 1919

Brings to his notice the affairs of the
Co, as reported by the Regr of Joint stock Compa-
-states that he has suggested the appointment of a
Inspector having knowledge of actuarial science
-sec 138 of the Mysore Companies Regn VIII of 19
investigate the business of the Co, that necessary
will be taken accordingly & that the result will
intimated in due course.

54) A draft letter to the Regr J.S. Co, is subm

27/8 55) The Registrar having already suggest
has reported that

NOTE—Comm. sheet

re Examination of the [illegible]
the Mysore Govt Insurance Dept & Mysore
Insurance Co., Mysore

G. R. S. III-2]

General and Revenue Secretariat. | File No. [illegible] of 191[illegible].

Serial No.

the appointment of an Inspector with knowledge of Actuarial Science, he was in this Office no 473 of 11-7-19 requested to propose the name of any such Inspector if available & if not to request the Secy, Insurance Comtee, to lend the services of a competent Official for the work. In reply, the Registrar has reported that the Insurance Secretary cannot spare any hand from his Office & requested that arrangements may be made for a competent Official of the Comptroller's Office being spared for the purpose.

56) Submit for orders with two drafts (1) to the Registrar, Joint Stock Companies & (2) to the Comptroller.

Asst 30/8 — 57) One draft to Regr of Jt. Companies & another to the Comptr

Submit for approval

Chief 30/8

58) Issue

Asst 2/9

To the Registrar of Joint Companies
D.O.No. G 5520 dt 3rd Septr 1919
Requests him to examine the Co., with the help of a competent accountant or actuary & report the result to Govt; if necessary th[illegible]

NOTE—Contn. sheet.

G. R. S. III-2.

General and Revenue Secretariat.

Police File No. 1 of 1919.

Serial No	
	available papers may be sent to the Govt of India Actuary & the points to which enquiry shd be directed may be ascertained; requests that a full reply be sent in 6 weeks;
18	To the Comptroller No G 5521 d/ 3rd Septr 1919 Requests him to kindly arrange to spare the services of a competent official of his office to help the Registrar of Companies in examining the affairs of the Mysore Govt Security Life & Marriage Assurance Fund & give advice.
59	Resid' with refee to para 53 supra. SBR 5/9
19	From the Same No R 384 d/ 9th Septr 1919 States that the services of Mr. K. Sampathiengar, B.A., who has had training in the System of Commercial Accounts in Bombay will be made available, that a pay of Rs 100/- may be given to him & a deputation allce of Rs 20/- under Art 55 M.S.R. during the period. Subd. SBR 12/9

Mr S.C.D.

The file has already been resd with refee to para 53.

Please have a file number given & the matter arranged properly.

The file may be put in Secrt, but treated as Urgent.

SBR
6/9

NOTE—Contn sheet

G. R. S. III-2.

General and Revenue Secretariat.

3463
4783
4991

Police File No. 57 of 1919

Serial No

60) The Comptroller's proposal is to give the official Rs 100 + 20 Deputation allowance, on the ground that the pay of Rs 100 pm has been recommended for him. The Fin[l] Secty may be consulted in the matter.

Subd 10/11/1919

61) The official is said to have just retd from Bombay after a year's training under Messrs Ko. S. Arjun & Co.

62) If agreed the Fin[l] Secty will be consulted.

D. M. 13/9

Chief Secy

III Member

63) In the meanwhile the following communication has been received.

From the Registrar, J. S. Companies D. O. No. 424 of 15th Septr 1919

States that the Chief Organizer of the Co., is regularly sending the prescribed returns to this office, that mere perusal of them does not show any unsatisfactory state in it's affairs, that he will inspect the Co., during the next month in conjunction with a competent accountant of the Comptroller's office and requests that in the meanwhile correspondence relating to the Govt of India Actuary's papers / Correspondence might be sent to him.

67) Subd

SSR 16/9/1919

NOTE—Contn. sheet

G. R. S. III-2

General and Revenue Secretariat.

4991

File No. 57 of 1919.

Serial No

4787

68) Copies of the two letters cited from the Secretary to the Govt of India may perhaps be forwarded to the Regtg J.S.C.

D. M. 16/9

Chief sec

69) 4/s 70) 17/9/19 Draft D. M. 17/9

71) DO Draft H Subd. 17/9

72) Issues D. M. 19/9

21 to the same

Do no c. i' 52. Dy. date 21st 19, Forwards copies of letters received from [illegible]

73) Resubmitted for orders with reference to paras 60 to 63 Supra.

24/9.

74) Subd for orders D. M. 26/9

III Member

75) [illegible]

No. 0 27/9

1000 28-9-19

NOTE—Contn sheet

R° 2/60

28/9 D. M. 2/10

R. S. III-2]

General and Revenue Secretariat.	File No.	of 191

Serial No.	
76)	Draft calling for the information is put up.
	This not clear if the Comptroller can answer the second query.
78)	Draft D/F to Dte should be addressed to obtain info from the branches (E&A).
22	To the Comptroller, No. 8915 dated 5th October 1919.
79)	If approved the file will now be sent to Sec'tt the E&A Sec'tt for Rep'ts furnishing information as to the source from which the cost of the deputation is to be met
80)	Yes
81)	No provision has been made in the Budget for such contingencies.
82)	Submitted for orders.
83)	As the investigation is under the orders of the Council, the other financial proceedings the cost has to be met from some source under the control of the Sec'tt

NOTE—Contn. sheet.

4:11
7:19

G. R. S. III-2]

General and Revenue Secretariat. | Police File No. 5 / of 191 4.

Serial No.

This has been seen & returned

Subd for perusal, with refee to para 75 ante. The Comptroller's reply may perhaps be awaited.

SBR
31/10

23 From the Comptroller.
No. R670 d/ 29th Oct 1919
States that Mr. Sampath Iyengar was appointed as a Commercial Probationer, that during the period of his training in Bombay he was getting Rs 100 plus h.a. of Rs 125 p.m., that he has been now recommended for a pay of Rs 100/- pending orders that he is now getting Rs 75/- as Commercial Probationer.

84 Subd with reference to para 75.

Apr
1/11

85 Subd for orders with regard to Mr Sampath Iyengar's deputation.
As regards q.(i) in para 5 above, the Comptroller has furnished the information.
As regards (ii) it is a point for orders whether the cost has to be met from some source under the control of the Chief Secy as suggested by the Secy. to G.A., although the

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat. | P.R. File No. 5 of 191 G.

Serial No.

deputation is proposed by the Registrar of Jt. Stock Companies who wants the assistance of two Sanpath Peons.

87) Submitted for orders

Chief Sec[y]
III Member

88) The assistance is required by the Registrar of Joint Stock Companies in discharging the duties of his office & the expenditure should be borne by his department.

14198(a)
6.11.19

3rd member)

89) I am sorry this notification & the Secretariat's & the Secretariat's ... refers ... on pp 12-13 of the rules regarding the matter ... urgency. If the case, ~~[illegible]~~ ... any dragger or sloop ... no proper ... as all ... for the post 2 months

90) The Asst Sec[y] in the Revenue Branch is requested to see that the proper ... in the distance of the Coast ... and that they are kept a note by the 1st week of every month ... are still in which it stands.

91) With regard to the deputation of the Commercial Representatives ... Sanpath ... a draft ... may be put up ... and instructions for appointment

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat. | 20 File No. 5 of 1914.

Serial No.

appointing him as an Insp^r under Sec 138 of the Tyoan Companies Reg^n to investigate the affairs of the Company ~~with~~ especially with reference to the allegations made against it and to submit his report by the End of December next to the Reg^r of Joint Stock Companies who will thereupon examine the Inspector & a copy of it on the same time to him for his information.

92) The Comptroller may be asked to relieve Mr Sampath Iyengar for his work & direct him to report directly to the Reg^r of Joint Stock Companies. The Reg may be informed that separate order will be passed about ~~add~~ payment of the fees to Mr Sampath Iyengar by the person at whose instance the Inspection is made. The Budget head to which the charge should be debited

Jay.
8/11/15.

93) Please put up draft order as proposed to apply its application case, & will also be put up showing the progress in the case.

10/11

NOTE—Contn. sheet.

7411.

G. R. S. III-2]

General and Revenue Secretariat.

Police File No. 57 of 1919

Serial No.

24 From the Comptroller,
No. 700/R dt 4th Nov. 1919
- States that he has, in anticipation of sanction, directed Mr H Sampathayya to report himself for work to the Registrar of Co's. Companies in Mysore, and requests early orders re the pay of the auditor.

94) Subd. for orders. The main file is now before the III Member.

8/11 8/11 III Member

95) The main file having been returned from the Member in charge, Aff G.O. in accordance with Member's orders dated 8.11 Draft G.O subd. 10/11

96) Kind reference is respectfully invited to paras 44 to 46 and 51 supra. The report called for from the Registrar in this Office D.O. letter no. G-5520 dt 3.9.19 has not yet been received. An ad-interim report was received from him stating that he would inspect the Company during the middle of Oct^r.

A

B

Add 11/11 97 Draft G.O. subd. for approval.

III Member

1598 11/11/19

NOTE—Contn. sheet.

7411

G. R. S. III-2]

General and Revenue Secretariat.

Pol File No. 57 of 1919.

Serial No.

9x) Draft approved. He may also submit also for his approval the 1st memo for ~~[illegible]~~ Darbar before me.

11/11

9y) Subs for appt

I Member
Dewan

D. M.
12/11

3248-371.
13.11.19.

10-) Re draft items suitable

Reel
14-11-19

D. M.
14/11

DEWAN'S OFFICE.
Recd. on NOV 15 1919
Reg. No. 3332.

18.11.19

10) Issue

D. M.
21/11/19

20 To the comptroller
The Registrar J.S. Companies
The S.P. Police.

No 9 11506-8 Dt 20.11.19

Whereas the Hon'ble Samastha-
nasal. & asram Director under Sec
138 of the Companies Regulation to
investigate the affairs of the Deposit

NOTE—Contn. sheet.

WD 1233—GPE—60,000—1-12-16—S.

G. R. S. III-2.

General and Revenue Secretariat.

7411

pf7 File No. of 191 .

Serial No.

A

Govt. records take and marriage Insurance Company [illegible]

102) Resubd with reference to para 93, supra.

103) The Registrar has been asked to further examine the Col with the help of an accountant & submit a report. Mr M.K. Sampathiengar, Accountant Comptroller's office, has now been appointed Inspector for investigating the affairs of the Col & report the result to the Registrar

Apr 21/11

104) The Comptroller has also stated in his letter of 6.11.09 that Mr Sampathiengar has been directed to report himself for duty to the Registrar in anticipation of sanction.

105) Action has now to be taken under para 3 of the G.O. about Mr S. Iyengar's pay

106) Please put up draft orders. Hemy up in Mr Mo in 2 days

D.M.

As Commercial Probationer Mr. Sampathiengar was getting a pay of Rs 75/- p.m. During the period of his training in Bombay he was getting a pay of Rs 100/- and are

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat. | P. & C. File No. 57 of 1919

Serial No.

allce of Rs 25/- p.m. and He was recommended for a place on Rs 100/- p.m. in the Comptroller's office.

(v) Subd with a draft G.O. with reference to paras 92 and 106 supra.

SBR 3/12 (vi) The Asstt may perhaps be consulted as to pay allce to be given to the Inspector. The allce for meeting the expe should also be decided.

AHH 4/12 (vii) He may perhaps be given a salary of Rs: 100/ plus a deputation allowance of Rs: 20/ as recommended by the Comptr in his letter of 9th Septr 19. The cost may be met from the sanctd grants of the dept. A draft sanctn is put up for the dirt exps has to be consulted

DM. 5/12

20/12/19 5.12.19

III Member

(viii) I don't think there is any need for a deputation allowance in addn to the proper allce of a salary of Rs 100/. which appears to me to be sufficient. The proposal may be consulted

5/12

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat.

Police File No. 5-1 of 1919.

Serial No.

112) I am favour of opinion
D.M.
6/12

Amb Secy)
Jersey)
15/11
3/12

113) I support the recommendation of the Comptr. Inspection and investigation are arduous items of work and the pay and allce proposed by the Comptr are not excessive remuneration for the work required of the acctt

Amle
10-12-19.

Ch Secy)

114) Subt with reference to paras 110 & 111 above.

SGR
11/12
Amle
11/12

111 Member)

Subt for orders
D.M.
11/12

115) I have no objection. As the Inv Trl Secy agrees I think proposed deputation should go at Darjeeling.

116) Dewan)

Subt for his Dewani approval
D.
12/12

Dewan)

117) Offr
Secy
22-12-19

Secy
17/12

D.M.
17/12

H(1371-19 SECRETARIAT ORE. DEC 1919

287
12/12/19.

DEWAN'S OFFICE.
Recd. on DEC 18 1919
Reg. No. 4126

NOTE—Contn. sheet.

G. R S. III-2]

General and Revenue Secretariat.

Police 741 (27

File No. 57 of 1919.

Serial No.	
19	Submitted for perusal before issue
	III (Member) Issue No
	29/12
21	Done
	29/12
26	To the Police
	Superintendent
	re Registrar J.S. Companies
	D.O. No. 780 dt 20-1-1920
	Sanction the pay of Rs.100/- and
	application allowance of Rs.20/-
	to Sgt Ramphal Singh during
	the period of his absentment
	as can be spared after the Depot
	complement is [illegible]
27	From the Registrar of J.S. companies
	D.O. No. 780 d/ 20th January 1920
	Forwards copy of his letter d/
	20th January 1920 sent this the
	D. G. of Police
28	It is suggested that the report of the

2309
26/12/19

NOTE—Contn. sheet.

G. R S. III-2]

General and Revenue Secretariat. (Police) File No. 57 of 1917.

Serial No.

Inspector be referred to a Court of Law and that the Company could be wound up under cl.6 of Sec 162 of the Regulations by order of the Court, if necessary.

(123) Orders are required on the following points:

1) What further action the Registrar has to take?

2) Whether copy of the Inspector's report may be sent to the Registered office of the Co. as per sec. 141.

(124) The management and affairs of the Co. are said to be very unsatisfactory because the liabilities exceed the assets by Rs 2082/- Certain documents & registers have been ordered to be destroyed as per resolution of the Directors. The Inspector on Special duty suggests that this may not be permitted if legal action has to be taken in the matter.

(125) Letter No. ROC (510d) 22nd June from the D.G. of Police stating that the Registrar has sent the report thro' him & that it will be forwarded in due course, is also placed in the file.

(126) Submitted for orders, with refer

NOTE—Contn. sheet.

7411
13711
13715

(29

G. R S. III-2]

General and Revenue Secretariat.

Pol & Ecl File No. 57 of 1919.

Serial No.

to page 91.

129) The receipt of the D. G P's memo (C on the report may perhaps be awaited.

SGR 26/1 128) The Indian Companies Act — VI of 1882 is to be found on pp 100 — 215 of the Volume of the repealed General Acts put up herewith

SGR 3/2 129) As orally directed by the Asst Secretary the Companies Regulation was gone through to see what action Govt can take on the Inspector's Report. Under sec 141 (1) a copy of the report should be forwarded by the Govt to the Company & further than this nothing seems possible. The Company can be wound up voluntarily by itself or by the Court on an application presented either by the Co^t or by any creditor or creditors, Contributory or Contributories or by all or any of those parties together or separately; please see Secs^ns 162 & 166 of the Regulation.

130) It is not clear under what provn Govt can refer the matter to the Judiciary as suggested in para 2 of the Registrar's letter.

NOTE—Contn. sheet.

131) Field
AGL
10/2

R. S. III-2]

General and Revenue Secretariat.

Police File No. 13701 53765 of 1919

Serial No.	
132	I very much doubt whether Govt can take action as suggested by the Registrar. More's doc not seem to contain any provision enabling Govt to interfere.
133	Please put up the files relating to Chickballapur Bank Companies previous I learn that these questions have been raised & discussed. D. M. 11/2.
134	To the E&A Secretariat for favour of putting up or noting the file no. of the reference required in para 133. SEC 12/2
135	This section is not aware of what has taken place regarding Chikballapur Bank Cos.
136	Subd for orders — Sec. 16.2.20 M.G. 16/2/20
137	Returned to the Chief Secy with reference to para 134 supra.
138	19/2/20 No such reference can be traced in the Proms Br Pol.
139	Please send the C-ke to Regr

R2 21/2

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-8-18—S.

G. R. S. III-2]

General and Revenue Secretariat.

File No. 57 of 1917.

Serial No.

Mrs G.S. Iyer for instructions to have the files ah mee

D.M.
21/2

O.No.36-19
Protection
& 27.2.1920.

140) Forwarded U.O. with compliments to the Govt Advocate for favour of opinion —

1) whether on the facts elicited by the Inspector in the course of his investigation any offence has been committed under the Hyderabad Companies Regulation of 1917; and if so, what further action has to be taken in the matter;

2) Or, whether any offence under the general Criminal law has been committed under the circumstances reported by the Inspector; and if so what exactly is the offence for which the promoters can be prosecuted.

B. A.
Mahadevaya

Submitted to Govt
26/2/20

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-8-18—S.

1507 (32

G. R S. III-2]

General and Revenue Secretariat.

Police File No. 57 of 1919.

Serial No.	
28	From the Director of P.W.D. No 61 dt 12.2.1920 states with reference to G.O. dt 12.1.1920 re the appointment of Mr. Sampath Iyengar as an Inspector under the Mysore Companies Regulations that there is no probationer of that nature attached to this Dept & that there are no funds to meet his pay from the grant of this department. Submitted. SBB 14/2/20 The main file has been sent to the Govt Advocate for Opinion. This will be dealt with that file on its return. AHR 26/2 43 Yes P.M. 4/3

The main file is refd to the E&A Sec'tt for putting up refce pending the Bankacherjee Bank case.

MS.Cb

The file has since been rec'd. This file may be linked to that when found.

2/3

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat. | Police File No. 57 of 1919.

Serial No. 20212

U.O. No. 75 | 9-20
29.3.920.

C. Scott
29 MAR. 1920

1-5-20
4-5-20

(164) The Inspector's report discloses that the affairs of the Mysore Govt. Security Marriage and Life Assurance Co., Ltd., are in a most unsatisfactory condition and shows that the Directors who are responsible for the issue of false balance-sheets etc and (more particularly the Promoter and Managing Director) are guilty of fraudulent conduct.

(165) Apart As regards the particular offence for which all or any of them could be proceeded against, I find that the same question, in some other form, was once the subject-matter of Police investigation with the result that no specific charge of cheating or any other offence could be brought home to Nagamia, and a B. report seems to have been submitted to the City Magistrate of Mysore before whom the matter was then pending. But at that time the Police had not the benefit of an Examination of the Company's affairs

NOTE—Contn. sheet.

Serial No.

affairs by a competent Inspector and those proceedings cannot, therefore, be considered to be conclusive.

14(b) Publication of a false return, report or balance sheet containing wilfully false statements is made punishable under section 282 of the present Companies' Regulation. The previous Act of 1895 did not contain such a provision and therefore, unless it is possible to adduce evidence of any acts committed subsequent to the coming into force of the present Act (viz 1-7-1918) the Directors would not be guilty under this section, as the Act has no retrospective effect. The latest balance sheets and accounts have therefore to be scrutinized in the light of the provisions of section 282.

14(c) The only sections of the Indian Penal Code under which such fraudulent conduct could be brought are those relating to breach of trust and

NOTE—Contn. sheet.

1507 (34

G. R S. III-2]

General and Revenue Secretariat.

Police File No. 57 of 191 .

Serial No.

(N. 409, 420 etc.)

and cheating, A prosecution for any of these offences requires very clear and cogent Evidence and evidence will have to be given with respect to specific items. The matter therefore needs a thorough preliminary investigation, either by the Police or a letter by some Officer who has a knowledge (practical) of the working such Companies. (48) The matter appears to be a very serious one and in the interests of the public and of other Companies a thorough investigation is necessary.

Advocate Genl
27-3-20.

(49) Subd with reference to para 140 SER

29/3/20 (3/150) Mod. G.P. may perhaps be addressed. Subd for orders

D. M. 6/4

5514 7.4.20

III Member

NOTE—Contn. sheet.

G. R. S. III-2)

General and Revenue Secretariat.

Police File No. 57 (1507) of 1919 (35

Serial No.	
151)	The report of the Special Inspector appointed to examine the accounts of the Company in question shows, as remarked by the Asst Director, the case should be dismissed with costs against the Company's Bch & has been conducted at least three times before the Bench. The Director may take action to direct the Local Police to take up the case in the file and withdraw the case from the particular reference to the Company's Bch. The Inspector General of Police may be asked to depute a Special Officer for the purpose.
	17/4.
52)	Draft Please D. M. 17/4
	Issued 17/4

NOTE—Contn sheet.

18623

(36

G R S. III-2]

General and Revenue Secretariat. | Police File No. 57 of 1917.

Serial No.

29 From the Genl Secy
Life & Marriage Assurance Co. Ltd
Mysore. No. 1179 d/ 28.2.1920
- States that they have not been furnished with a copy of the Inspectors report of the Company - as per Section 145 of the Mysore Companies Regulation.

The main file is now before the III Member.

153) Subd. for orders.
SBB
12/4
April 13/4
154) Who is to give the Company that he must be furnished with a copy?

JVD 21/4 — PS 21/4

155) Two drafts, subd with reference to para 152.

156) Under clause (2) of Sec 145 of the Regulations, the Company is entitled to a copy of the Auditor's report. If approved, the Registrar of J. S. Companies will be requested to comply with the requisition of the General Secy of the Company.

SBB
Apl 21/4
Apl 22/4
157) Issue the two drafts.
S. 141 (1) provides that

NOTE—Contn. sheet.

18623 (37)

G. R. S. III-2]

General and Revenue Secretariat. | Police File No. 57 of 1919

Serial No.	
	a copy of the report should be sent to the registered office of the Company.
(58)	Please put up file inviting his attention to the rule & saying that the request may be complied with. D.M. 22/4
	ISSUE & SUBMIT
30	To The Deputy Commissioner Depose Dt. No. P. 24518 Dt. 28.4.1920. Forwards a copy of the Special Inspectors report re the affairs of Depose Flour Secrets Assurance and thibe assurance Co. Ltd. Depose and requests him to direct the local police to take the case on file and investigate it once more and states that the S. P. police has been requested to deputy a special officer for the purpose.
31	To The S. P. police No. P. 24589 Dt. 29.4.1920. Requests him to depute a Special officer for investigating the case.

NOTE—Contn. sheet.

(G. R. S. III-2)

General and Revenue Secretariat.

1927.

Police File No. 57 of 1919

Serial No.	
32	From the Regr of J.S. Coimbatore No. 43 dt/ 19/20. dt. 1920 invites reference to Sl. 27 above, requesting to be informed of the further action to be taken by him & whether a copy of the Inspector's report may be supplied to the Govt Secy.
158)	Draft Sl. with reference to para 158.
Read 1/5	
160)	The Rly wants to know what further action has to be taken in the matter. If approved a draft will be put up intimating that the Dy Comr has been asked to direct the Police to take up the investigation of the case
161)	Orders have also to be passed on Sl. no. 28 (Page 32 of these notes) regarding the budget Head to which the Inspector's pay & allce during the period of his deputation should be debited.
G	
162)	In this office no Pol 239 dt 25-8-19 the Y Resident was informed of the stage of the case then & told that the result of the action taken as per Suggestion of the Registrar would be intimated in due course. Orders solicited if Inspector Police investigation having

NOTE—Contn. sheet.

6623
1927

G. R. S. III-2)

General and Revenue Secretariat. | PSR File No. 57 of 191 9.

Serial No.

been ordered as a result of the examination of the Inspector may not be intimated to the Residency.

PSR 1/5

U.3) Draft reply is submitted for approval.
No action taking may perhaps be intimated to the Residency.

D. M. 6/5

6493 17-5-20

III Member 16/5

16/5

U.5) Issue as put up draft to the Residency

D. M. 18/5.

Issue and resubmit

19/5

39 Do The Registrar of J.S. Companies

No 9 26325 dt 22.5.1920

States that the request of the General Secs of the company may be complied with.

Do The General Secretary Life and Marriage Assurance Co. Shore

No 9 26326 dt 22.5.1920

Forwards copy of the above.

File taken by III Member & returned on 24/5/20

NOTE—Contn. sheet.

Serial No.

166) Draft subd. as per para 165.

SGR

Apl 6 1926 167) Compliments to the Residency & submd for advice.

168) After the cases the D.M. will be asked to state the reasons why steps the small should

D. M. 26/6

8814 26.6.20 III Member 169) Copy

Init 26/6.

170) Issued D. M. 28/6

34 To the J. A. Resident

No Pol 1418 dt 30-6-1920

States for reasons stated that the Local Police have been asked to take up the further investigation of the case.

171) Draft to the D. C. Mysore subd as per para 168.

SGR

Apl 3/7 172) Memo Issued to-day

D. M. 13/7

Public

P S O

NOTE—Contn. sheet.

G. R. S. III-2)

General and Revenue Secretariat.

Pol. File No. 54 of 1919.

465 (47) 2nd S.L. (41)

Serial No.

— Do The Deputy Comm. Report by No. 1038 dt 14-7-1920 Requests him to state in what stage the matter stands at present.

destroyed

SECRET 11 PROTECTION BR. 20 JUL 1920

From the Asst. No. 1795/J 19-20 dt 29.7.1920 (4.8) States that a reply is awaited from the D.S.P. Mysore District & that the further communication will be made

destroyed

173 Submitted for perusal

S&R 5/8 III Member

D.M. 6/8

Advt. 15/8 D.M. 17/8

Govt A 35A 17 II PROTECTN 24 AUG 1920

1152 14.8.20

From

No Roc 1795/J 19-20

The D.C. Mysore Dist. (14.10.20) forwards Copy of a report received from the C.I.D. Inspector mentioning the progress made by him in the investigation of the Case

174 Submitted for perusal

D. 25/10.

D.M. 27/10

III Member.

175 In his position taken up by him

2831 NOTE—Contn. sheet 28-10-1920

Serial No.

by the Inspecting Committee in connection with the accounts prior to 1st July 1910.

24/10

RD 6/11 Legis for a note 8/11

D.M. 8/11

176 Noted.

The Regn. of 1917 is not retrospective and there is no ~~corresponding~~ provision in the Regn. III of 1895, corresponding to S. 28 & 29 Regn VIII of 1917 (vide Govt. Advocate's opinion in para 146 supra).

Dl. J.

177) But S. 74 of the old Regn provides that the corrections of the balance sheet ~~shown~~ should be ascertained & certified before it is filed and any default in this respect is made punishable in the last para of the said section.

178) In paras 2, 3, 4 & 5 of the report of the Special Inspectors instances have been given to show that the balance sheet

NOTE—Contn. sheet

Serial No.

for 1913-1918 are for us material points.

79) It is therefore a point for consideration if the ~~incorrect~~ publication of these incorrect balance sheets cannot be brought within the provisions of S. 74 of Reg. VII of 1895.

Sd 18C) The Govt Advocate may perhaps be consulted in the matter

U.O.No 31 of 20-21. dt 3/12
dt 7-12-20.

18C) Forwarded with compliments to the Govt Advocate for favour of opinion.

By O.
M Mahadevan
for Revenue Secy to Govt
6/12/20

GEN & REV. SEC.
Ch Secretariat
9 DEC 1920

No. 1179 Leg/1920-21
9.12.1920

182) Under Sec 74 of the Repealed Companies Reg. of 1895 a Company must

(i) hold a general meeting once a year

(ii) have a balance sheet prepared in the form prescribed & filed

3.23

NOTE—Contn. sheet

Serial No.

with the Regr of Joint Stock Cos.

& (iii) have the accts of the Co examined once a year, & the correctness of the balance sheet aforesaid certified by an auditor & adopted in general meeting.

(83) Default in respect of any of these matters would render the Directors & other officers of the Company liable to punishment. If such a balance sheet was false in material particulars the officers of the Company would be liable under the provisions of the Indian Penal Code but not under Sec 74.

(84) The New Companies Regn of 1917, however contains a provision for the punishment of false balance sheets & other returns. The Company in question must have by this time submitted at least 2 balance sheets after the new Regn came into force. Investigation may be made as to whether any of these balance sheets contains false statements.

NOTE—Contn. sheet

G. R S. III-2]

General and Revenue Secretariat.

Police File No. 57 of 1919.

685

45

Serial No.

185) This Company is moreover an Insurance Company within the meaning of Sec 2(8) of the New Co's Reg^n of 1917. It is bound as such to Comply with the Special provisions of Sec 136 of the Reg^n. It may be ascertained whether that has been done. If not action may be taken under that Section also.

8.12.20.

Police

186) Please put up draft as in the above lines.

D.M. 13/12

Draft submitted as per paras 182 to 185 supra.

SRR 18/12

3748 22.12.20

Submitted with the opinion of the Govt A. G. & a draft letter to the D.C.

D.M. 22/12

III Member -

The draft Company notification is in order.

22/12

contn. sheet.

1515-7
1545

G. R S. III-2]

General and Revenue Secretariat. | Police File No. 57 of 1919.

Serial No.	
35	From the Hony Organiser Life & Marine Assurance Co, Ltd, Mysore Petn dt 5-1-1921 states that on the report of the C.I.D. officer appointed to investigate the affairs of the Co, the Mysore Police are preparing a charge-sheet under sec 282 I.P.C. the Mysore Co,'s Regn that false balance sheet for 1918 has been given & prays that he may be ~~found~~ granted the privilege of being heard with the necessary documents before the charge sheet is filed.
36	From the same, No 656 Petn dt 10-1-1921 forwards copy of his letter No. 652 dt 10-1-1921 to the Supdt of Police, Mysore City (same as above)
37	From the same Petn No 708 dt 16-1-1921 forwards copy of his letter No 707 dt 16-1-1921 to Messrs P. Kalinga Rao & Sons, Chief Agents, Madras, explaining the scope &

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat. | Police File No. 57 of 1919

Serial No.

objects of the Company
submitted for perusal & orders.
The main file is now
before the III Member.

27/1

27/1 191) This may be linked &
the file returned to the branch
yesterday.

D. M.
27/1

From the Registrar of S. Companies
No. 1248 dt. 15. 1. 1921
Forwards copy of letter
No 690 dt 15-1-1921 from the
Honorary Secy, Life & Marriage
Assurance Co, Ltd, Mysore to the
Supdt of Police, Mysore City,
regarding the case pending
with the Police against the
Co, & requesting that a 'B'
sheet might be ordered to be given
Draft calling for a report
from the D. M. Mysore is subd.

27/1 Achan is apparently taken in the
case in accordance with the orders of Govt communicated to the Dt Magte, Mysore. The main file
is before the III Mr

27/1

The newspapers
state that the Secretary
to the Mysore Govt
Life Insce Co. Ltd
is being prosecuted
by the Police before
the City Magte.
Please call for a
report & advise
D. M.
26/1

26/1

15899

G. R. S. III-2]

General and Revenue Secretariat. | P.R. File No. 54 of 1919.

Serial No.	
39	To the D.M. Depore by no 9 14452 dt 28-1-1921 calls for a report in the matter
	Subd for perusal D.M. 2/2
	III Member
2 .. 1921	Explained to the Member in person vide orders in the main file D.M. 2/2
Sm A 2/2	

NOTE—Contn. sheet.

1721

Serial No.

1) I read in the Daily Post that Mr Nayanna is being prosecuted in the City Magte's Courts by the Police for publishing a false balance sheet, &c., & that the City Magte has addressed the G.M. to transfer the case to another Court as the Magte is a share-holder in the Company.

A report has been called for from the G.M. & it may perhaps be awaited.

D.M. 28/1 2/2/24

III Member 1) 99. 2/2

to preserve the two notes D.M. 2/2

40 - From the Dist Magte, Mysore Dist. No. D2 Dis 398/J20-21 dt 8.2.1924 States that the prosecution report placed by the Police before the City Magte has been transferred to the Court of the Special 1st class Magte, Mysore on the score that the City Magte holds some shares in the said Company.

199) Subd for perusal with reference

page 163+164

NOTE.—Contn. sheet.

Serial No.

to paras 197 & 198 and orders.

SGR 14/2

14/2 Mr. Sanjiva Rao, Chief Daily Post Correspondent, has written a letter to the Chief Secy suggesting that the Pub: Pros^rs may be appointed to conduct this case. 2) Please peruse the same

D. M. 15/2

Mr. Secy 15/2

2) Subd with the letter referred to

15/2

3) Subd for perusal & orders. The Pub: Pros^r may purchase to appear

D. M. 16/2

4752 16.2.21

III 1 Member 204) The District Magistrate may be consulted

15/2

204) Draft please D. M. 18/2

201) Draft subd with ref^ce to paras 203 & 204.

SGR 18/2

206) Issued D. M. 18/2

41 To The D. M. Bangalore Dr.

No. 9, 16508 Dt. 22-2-21

Forwards a copy & letter from

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat.

Police File No. 57 of 1919.

Serial No.

210) I am surprised at the delay. Why were orders not issued from 15th instant?

D. M.

43 30 See D.M. Sempore dt.
see Comptroller to Govt.
No. G 19141-2 dt 8-4-1921
Directs the Public Prosecutor Sempore Division to conduct the prosecution in the above case.

211) Submit for orders as to whether the D.M. may not be requested to report the result now that 2 months nearly have elapsed.
SRR 1/6

212) Please ascertain in what state the case stands.
D 19/6

213) Draft of a reminder 13/6
is subd with refee. to para 212.
SRR 13/6
AR 14/6

214) Issued
D. M. 15/6

Remd No G 2454/3 dt 15.6.21

44 From the D. C. Mysore 21:
No. Roc 1795/Guide 19-20 & 13-7. 1922
States that the case posted for hearing on 30.6.2

PROTECTIVE 29 APR 1921

Submitted
Issued
1921

NOTE.—Contn. sheet.

2.09 1171

[G. R S. III-2]

General and Revenue Secretariat. | Police File No. 57 of 1919

Serial No.

could not be heard on that date owing to the absence of the Public Prosecutor on other work in the Sessions Court & that it has been adjourned to the 26th inst.

2) Subd for perusal. Further report may, perhaps, be awaited.

SGR 1917 2.) Rem^r on 25.8.21

3) Draft subd. as per D.M. 1878 para 16.

SGR 25/8 4) Issue

26/8 Rem^r of 1193 dt 29.8.1921, dtd 26/8/21

from the D.M., Mysore dtd

No. ROC 1795/919-20 dt 15.9.1921

States that all the P.W's have been examined & cross examined that the accused has called for some letters from the Bank of Mysore & that the case is adjourned to the 20th inst for further hearing.

Subd Further communication may perhaps be awaited till the close of the current month. yes.

Sd/- A 30/8

Adjourned to a convenient day.

(Sd) A 20/9/21

SGR 20/9/19 19/9 V.L

leg 20.9.21.

NOTE—Contn. sheet

G. R. S. III-21

General and Revenue Secretariat. | Police File No. 57 of 1919.

Serial No.

224 Further report has not been received up to date and draft of a reminder is therefore subd. 225 Issue.

SBB 25/10 MD 25/10

223 The issue of the reminder is withheld on account of the receipt of the following letter.

45 From the Deputy Commr, Mysore Dist No. ROC 583/21-22 d/24.10.1921

States that the D. G. of Police who was consulted in the matter of inviting the expert evidence of Mr. K. S. Iyer has replied to say that his charges could be met from the Police Budget & requests sanction thereto.

224 subd for orders.

SBB 28/10 MD 28/10 225 Sanction may be intimated by wire to the Dist Magte followed by a formal order.

1st member 226 Yes

28/10/21

Telegram recd from the D. M., Mysore. Dist is placed in the file

MD

MD 28/10

227 Yes 29.10 MD

Issued 29.10 cmg

29.10 cmg

NOTE—Contn. sheet.

(A)

678

(54

C. R. S. III-2j

General and Revenue Secretariat.

File No. 57 of 1915.

Serial No.	
46	From the Dist Magte, Mysore Dist No. Roc 583/g 21-22 d/ 27.10.1921 Requests sanction to summon the expert Mr. K.S. Iyer to give evidence in the Police case pending in the Ist class Magte's court, Mysore, fily against the Life and Marriage Assurance Co., and proposing to meet the cost from the Police budget and requesting approval of this action & instructing the Police to apply to the Court for issuing the Summons to the expert. 28/10) Simple put up. The previous file has been sent to the Dist Member for orders. The Genl Secy has already suggested issue of orders by wire. Sd) T.K.S. 28/10 28/10) For approval Sd) Bag Genl Secy 28.10.21 Sd) PBR 1st Member 28/10/21 29) I agree Sd) ARB. 28.10 29) Done Sd) Bag 29/10
47	To the Dist Magte, Mysore Dist The I. G. of Police. The Comptroller No. J 2209-11 d/ 29.10.1921

NOTE—Contn. sheet.

678 (65
3863

G. R. S. III-2]

General and Revenue Secretariat. | Police File No. 57 of 1919

Serial No.

Sanctions the proposal and the action taken in fl 46 above.

49 From the Deputy Commr, Mysore Dist

No. C 1513 / J 21-22 d / 7.4.1922

Forwards copy of letter received from Mr. N. S. Iyer of Bombay and requests sanction to incur an expense of Rs 536 8 0 being charges payable to him for attending the 8/c I class Magistrs Court Mysore city, in connection with the Police case against the Secretary, Mysore Govt Security Life & Marriage Assurance Co, Ltd, Mysore.

The terms offered are:—

1) a fee of Rs 200/- for the 1st day
—— — Rs 100/- for every additional day

2) T/A from Bombay to Mysore & back at the scale allowed for Deputy Commrs i.e., double 1st class railway fare & daily batta for such officers.

3) once before the same expiry

NOTE—Contn. sheet.

3869 (5.6

G. R. S. III-2]

General and Revenue Secretariat. | Police File No. 57 of 1917.

Serial No.

has been summoned to give evidence on the 28th Octr 1921 in the action taken by the Deputy Commissioner approved by Govt (vide sl 1/7)

submitted for orders.

SGR 10/4 1935 The Expert was proposed to be examined on 28-10-21 and orders were sent by wire, and his expenses met from the Police budget (Flag Z). It looks as if he was examined in Chief on that day, but not cross examined. The Dist Magistrate now wants to summon him for that purpose that the accused may not get off on appeal on a technical ground. The Expert claims Rs 536-8-0 as his fees & expenses. The Dist Magistrate wants sanction of Govt to spend this amount. Source for the expenditure is not pointed out. It may be necessary to get the Expert for the ends of justice & he will only come on his own terms. Submitted for orders.

Flag Z.

(Paper under disposal)

Crown Secy)

Cash 11.4

NOTE—Contn. sheet.

G. R S. III-2]

General and Revenue Secretariat.

New File No. 57 of 1915.

Serial No.

(57

3:02

296) This is becoming a very expensive case but the charges seems inevitable and may perhaps be sanctioned. I understand that the accused have been charged and that they have now asked for further Crossexamination of the expert witness which has to be allowed.

DEWAN'S OFFICE.
Recd. on APR 12 1922
Reg. No. 5783

Dewan)

14/4
cay
1574.

297) Maybe sanctioned

Z
14.4

298) Issue orders accordingly abuse

299) Draft abuse please

15/4.
cay
1574

300) Draft G.O. is put up. A telegram reply was asked for by the Superintendent 1574 as he wants to have Sankaran on the 17th to give evidence at Negrie on the 17th or 18th. The D.C. 24/4 will communicate with the party by wire. Please issue draft today.

15/4

cay
1574

NOTE—Contn. sheet.

6

G. R S. III-2]

General and Revenue Secretariat.

Cr File No. 57 of 19 19

Serial No. 50

The D.C. Mysore
The Comptroller,
The I. G. of Police
J. 2776-2 of 15.4.22
Has drawn the above.

51. Letter No R.O.C 1795-J.19-20; 26.5.22
From
The Deputy Commr, Mysore.
With reference to this office R.O. Reminder
States that judgment was delivered
on 25-5-22 in the Case of the affair
of Mysore Govt Life & Marriage Assurance
Ltd & that all the five accused have
been convicted to varying terms of
imprisonment.
24) Robt. The Copies of the judgment
promised to be sent may be awaited.
243) ys. cag
31/5/22
31/5 No C.15-10; 7.6.22
52 From
The I.G. of Police.
Reports the Conviction of the accused
in the Case of the Mysore Govt Life Assurance

NOTE—Contn. sheet.

4724/8

4152/45?-/I/59

G. R. S. III-2,

General and Revenue Secretariat.

POI File No. 57 of 1919.

Serial No.	
244	and Marriage Assurance Coy' Cons Rcvd for perusal.
	245) Draft from the Residency 8.6.22 intimating the result of the trial as promised in fl pr 82 will be put up after the copy of judgment promised by the Addl Magistrate in fl pr 57 is received.
	5/6. 246) yes can 4/1
53	Letter no Pol.E 1795; 23.6.22 from the D. C. Singhbhum- Submits a copy of the judgment of the Special 1st Class magistrate, Singhbhum against the Singhbhum & four others.
	247) Rcvd with a draft with reference to paras 245 & 246 supra.
	248) There is a letter from the 26.6.22 Residency today, asking for a 30/6 copy of the judgment. Please peruse alter the draft & send a copy of the judgment also, along with the information intended to be conveyed. Cag 1.7.22

Re receipt in Addl. return for fl 57

GOVERNMENT OF BIHAR & ORISSA 12 JUN 1922 SECRETARIAT

Note—Contn. sheet.

24 · 4724
9

M. R. S. III-2]

General and Revenue Secretariat.

P.R. File No. 57 of 1919.

Serial No.

Do. Letter No 42, 30.6.22
from The Secy to the Hon'ble Resident
Requests that a copy
of the judgment in the case against
the Mysore Govt-Security Life & Marriage
Assurance Co may be furnished to him
for information.
Submit with a revised draft. The judgment
gives all the information required
3.7.22
3/7

(249) Draft for approval

Dewan 4/7 4.7.22
3/7

DEWAN'S OFFICE.
Rec'd JUL 4 1922
Regn. No. 80

Write 2 linked files

3 6/7/22.
(250) Issue draft. Please send the
copy of the judgment to the Residency
Copy 6.7.22

57 Pc

The Secy to the Resident
Pol 21 of 6.7.22

I do a copy of the judgment in the case
against the Mysore Govt Security-Life and
Marriage Assurance Co Ltd. Mysore.

Issue
4/7 B
for

(251) Approved the file will now be closed
No further reference having been received from
the Residency.

3/7 31/16

NOTE—Continued on sheet

147

IA. No. 9.1594
10 Police 57-12½
BANGALORE
17th January 1918.

D. O. No. 399

My dear Sir,

I am desired to forward a copy of letter No.11195, dated the 22nd December 1917, from the Actuary to the Government of India, regarding the affairs of the Mysore Government Security Life and Marriage Assurance Co., Ltd., Mysore, and to request that you will kindly furnish me with the information asked for therein.

In this connection I am to enclose a copy of a D.O. which my predecessor received from the Durbar's Inspector General of Police. It would be interesting to know the result of the complaints referred to in para 3 thereof.

Yours sincerely

C.S. Balasundaram

GEN. & REV. SECRETARIAT III JUDICIAL 18 JAN 1918

C.S. Balasundaram Iyer, Esq.,
Chief Secretary to the Government of His
Highness the Maharaja of Mysore.

Quoted

62

D.O. letter No.11195; dated the 2nd December 1917, from the Actuary to the Government of India, to the Registrar of Joint Stock Companies, Civil and Military Station, Bangalore.

I have to address you regarding the affairs of the Mysore Government Security Life and Marriage Assurance Company Limited, which has its head Office in Mysore. It has made a number of references to me in connection with its proposal to carry on business in various provinces of British India and seemingly desires to do it in such a manner as shall not bring it under the operation of either the Indian Life Assurance Companies Act or of the Provident Insurance Societies Act. The business carried on by the Company outside British India seems to be Life Assurance and I shall be glad if you will let me know if the Company transacts in British India any Life Assurance Business which exceeds the limits prescribed in Section 3 of the Provident Insurance Societies Act. In that event the Company will require to comply with the Indian Life Assurance Companies Act. If the Company be not subject to the latter Act it possibly is subject to the provisions of the Provident Societies Act as applied to the Civil and Military Station of Bangalore and the rules framed thereunder. I should therefore be glad if you could cause an enquiry to be made in regard to the matter and let me know the results thereof as soon as this has been done.

" C O P Y "

Registrar, Resident's Office.

D.O. letter, dated the 18th May 1917, from the Inspector General of Police, Mysore to Major T.H.St. George Tucker, First Assistant to the Resident in Mysore.

With reference to your letter No.3652, dated the 9th instant, anent one M.L. Naganna, I write to say that he is a Lingayat Ganigar by caste, and was the Chief Agent in Mysore of the National Insurance and Banking Company of Amritsar. On the complaint of certain persons in the Mysore District in the year 1914, that they had at the instance of Naganna taken out policies under the Provident Marriage Scheme of the above Insurance and Banking Company, on false promises of increased bonouses etc., the Deputy Inspector General of Police, C.I.D., Punjab, was requested to intimate whether the said Company was working on a sound basis with any local recognition etc., to which that officer replied that the question of an enquiry into its working was then under the consideration of the Punjab Covernment. Subsequently, Naganna was prosecuted by the Secretary of the Company for criminal breech of trust and falsification of accounts, but was discharged by the City Magistrate of Mysore. It is since understood by notices appearing in the news-papers that the National Insurance and Banking Company has gone into liquidation.

2. Naganna subsequently started a company called the Mysore -- Covernment Security Marriage and Life Assurance Company", styling himself the Agent of the said Company. On some complaints against the transactions of the Company, the title of which was calculated to mislead the public, the Covernment of Mysore by Notification No.J.1936/ Regis.24-13., dated 23-12-1914 published in the Mysore Cazette announced that the use of the words "Mysore Government" in the name of the Company did not mean that the Mysore Goverment authorised its formation or in any way supervised its business.

3. On 10th February 1916, one Jalpi Narasimhachar of Mysore complained to the City Magistrate of Mysore that he had been cheated to the extent of Rs 143/- by the said Naganna, as Agent of the

Mysore

Mysore Government Security Marriage and Life Assurance Company. The complaint having been referred to the Police for enquiry is still under investigation. Lately, some people of the Kadur -- District have also preferred similar complaints against the -- individual and all of them are being enquired into.

4. The enclosures to your letter under reply are herewith -- returned,

---

G. R. S. VI—G/32]

65

SUBJECT.....

.....

.....

Diary No. of letter replied to .. ..

GENERAL AND REVENUE SECRETARIAT

( )

, the *191* .

Date of issue 21/1/18

Signed by M. C. Balasundaram

Section Police
File No. 57-19
Serial No. 2

Draft D.O.
No. J2722

To

"Khan Bahadur Srinivasa Ayyangar ——— I am directed to forward herewith a copy of the marginally noted communication regarding the Imperial Govt. Security Life & Insurance Association Ltd., Bombay and to request that the information asked for therein may be furnished at an early date.

——— In this connection I am directed to invite reference to your D.O. dated the 18th May 1917

over.

* D.O. letter no. 11195 dated the 22nd November 1917 from the Secretary to the Govt. of India, to the Registrar Joint Stock Companies, c/o M. Statim, Bangalore.

to Major T. H. St. George Tucker and to request that the result of the complaints referred to in para 3 thereof may also be intimated.

General Staff

To — 19/1

K.R. Srinivasa Iyengar Esqr. M.A.

D.S. of Police Mysore

BS.
18-1-18.
WLK.

List of enclosures.

Copied by

Examined by

W Dse—GPB—60,000—15-11-16

Police 57-19-3 67

O.O.4096 SECRETARIAT JUDICIAL 1918 J 1770. 67

OFFICE OF THE
INSPECTOR GENERAL OF POLICE IN MYSORE.

Bangalore, 31st January 1918.

Dear Mr. Balasundaram Iyer,

With reference to your D. O. No.J.2722 dated the 21st instant, asking for some information called for by the Actuary to the Government of India in respect of the Mysore Government Security Life and Marriage Assurance Company Limited, I write to say that in the copy of the Actuary's letter No.11195 dated the 22nd December 1917, received with your letter under reply, information relating to the dealings of the Company in respect of certain sections of the Indian Life Assurance Companies Act and the Provident Insurance Societies Act and the Rules framed thereunder are called for and it is not possible to furnish a reply without reference to the said Acts and Rules. I shall be obliged if you could kindly obtain and send me a copy of those Acts and Rules, to enable me to give a satisfactory reply to the Actuary's letter.

Yours sincerely,

[signature]

Received 7-1-18 (68

No Pol 735 B 9-2-18

Bangalore
6/-

Dear Sir

With reference to your D.O. No. 307 dated the 17th January 1918 regarding the affairs of the Mysore Govt. Life Assurance Department, I am directed to request that you will be pleased to forward a Specimen Copy of the rules issued under the Indian Life Assurance Companies Act and the Provident Insurance Scheme which the Mysore Government have introduced in their Service.

Yours Sincerely

Major E. H. S. James

Govt. Asst. to the Resident in Mysore.

RH.
5-2-18.

67

R. O. 2.—R. P. B.—2-1918.—500.

No. 1588.

Pol. 857-19-5

From

Major E. H. S. JAMES,
First Assistant to the Resident in Mysore.

Pol. 1252 2-3-18

To

The Chief Secretary to the Government of
His Highness the Maharaja of Mysore.

GEN. & R. & V. SECRETARIAT III JUDICIAL 2 MAR 1918

Dated Bangalore, the 27th March 1918

Sir,

With reference to your letter No. Pol. 735, dated the 9th February 1918, I am directed to point out that under section 24 of the Provident Insurance Societies Act (Act V of 1912) powers to make rules under the Act have been delegated to Local Governments, and to request that the rules pertaining to the particular Local Governments desired may kindly be intimated.

2. As regards the rules which have been passed under the Indian Life Assurance Companies Act, I am to refer you to page 703 of the Gazette of India, Part I of 1913, where the rules issued by the Government of India are published.

I have the honour to be,
Sir,
Your most obedient servant,

First Assistant Resident.

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

GENERAL AND REVENUE SECRETARIAT,

( )

, the *191* .

Date of issue 5: 3: 1918

Signed by C. S. Balasundram Iyer

Section Pol

File No. 57 1/1

Serial No. 6

No. Pol 814

To The H. Resident

Bo's Native States Shan Sgd

Sir,

With reference to para 1 of your letter no. 1588 dated the 12th March 1918 I am directed to state that the rules relating to presidential vacancies ~~appointments~~ by this office asked for in my letter no. Pol 735-37. 9. 2. 18 are those which are in force in the C. d'M. States, Bangalore.

I have &c

B.4/3 over.

for Ch. Secy. to Govt

B.4/3

4.3.18. MC

8

24/3/18

D 2391

Police 57-19-7

R. O. 2.—R. P. B.—2-1918.—500.

No. 1915

Encl. 1

Pol. 1318
13-3-18

FROM

MAJOR E. H. S. JAMES,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

SECRETARIAT
GEN. JUDICIAL
14 MAR 1918

To

The Chief Secretary to the Government of

His Highness the Maharaja of Mysore.

DIARY No. J 2166

Dated Bangalore, 12th March *1918.*

SIR,

With reference to your letter No. Pol. 814, dated the 5th March 1918, I am directed to forward a copy of the Rules, relating to Provident Societies, in force in the Civil and Military Station of Bangalore.

I have the honour to be,

Sir,

Your most obedient servant,

First Assistant Resident.

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Police 57 19--8

Signed by
Mr C. S. Balasundram
Ayer

Draft No J 3822/Pol Secl, 3 Works
Dy 19. 3. 1918

Bangalore, dated 1918

Dear Sir

I forward herewith the marginally noted books as desired in your D.O. no. 96 dated the 31st January 1918.

It is requested that they may be returned at an early date.

Yours faithfully

1. Encyclopaedia Britt Vol VII (1914) containing the Provident Societies and the Industrial Life Assurance companies Act
2. Govt. of India Gazette, Part I for July to Dec 1913 containing the Rules under the Life Assurance Act.
3. Rules applicable to the Co-operative Stations of Bangalore under the Provident Societies Act.

BG

To R. R. Srinivasa Ayyangar Esqr M.A.
I.C.S. Dist. & Sessions Judge
Bangalore.

BG.
16-3-18

GEN. SECRETARIAT
JUDICIAL
7- JUN 1918

Bangalore,

No. J2722/66 Encl with 3 Books. 1st June 1918.

Dear Mr. Balasundaram Iyer,

J 2876

With reference to your D.O. letter No.J.2722 dated the 21st January 1918, forwarding copy of a letter from the Actuary to the Government of India, to the Registrar, Joint Stock Companies, Civil and Military Station, Bangalore, in re: the Mysore Government Security Life and Marriage Assurance Company Limited of Mysore, I send herewith a copy of the latest Memorandum and articles of association issued by the Company, from a perusal of page 2 of the cover whereof it will be seen that the Company contemplates to do business exceeding the limit prescribed in Section 3 of the Provident Insurance Societies Act, even though that Managing Director M.L.Naganna says he is not carrying on any business either in Mysore State or in British India, but that he is merely convassing which does not require registration. A copy of his statement dated the 30th instant is herewith submitted.

As regards the result of the complaints against M.L. Naganna referred to in my letter dated the 18th May 1917 to Major T.H.St. George Tucker, I beg to state that in the complaint which was preferred by one Jalpi Narasimhachar, which had been referred for Police investigation by the City Magistrate of Mysore, it has been found on investigation that there is not sufficient evidence available to bring home a specific charge of cheating or any other offence against Naganna, and it is therefore proposed to have a B report submitted to the Court in the case.

The enquiry made so far goes, however, to show that though no specific charge could be made out at present against Naganna there is a general impression-which does not appear

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to be unfounded-that the transactions of the Company are shady and not above board, and that in the public interests it is necessary that the accounts of the Company should be carefully audited and examined, and a thorough investigation made in~~to~~ its affairs. The Police are unable to undertake such an investigation as they have no powers to do so departmentally and there is no provision of law under which they can obtain the accounts of the Company and have them examined and scrutinized. The matter is apparently one in which Government should take steps under Section 138 of the Mysore Companies Regulation No.VIII of 1917, in consultation, if need be, with the Registrar of Companies, and I would suggest that necessary action may be taken accordingly.

Delivered to the Superintendent of Police on 14.4.1918.

The three books received with your letter No.J.3822 dated the 12th March 1918 are herewith returned.

Yours sincerely,

Srinivasa Iyengar

Police 57-19

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Draft D.O. Pol. 1172/ Encl. & enclosure

Bangalore
D/- 12.6.18.

Dear Sir,

With reference to your D.O. No. 399 dated the 17th January 1918 regarding the affairs of the Mysore Govt. Security Life & Marine Assurance Co., Ltd., Mysore, I am desired to forward herewith a copy of D.O. No. 166 dated the 1st/5th June 1918 from Mr. K. R. Srinivasaiyar, I.C.S. Police in Mysore in the matter (together with its enclosure) and to state that a separate communication will be addressed to you as regards the exact result of the action taken in accordance with the suggestion contained in para 3 of Mr. Srinivasaiyar's letter.

Yours faithfully
[illegible]

Encl. three.
12/6/18.

To

Major E. H. S. James
First Asst. to the Hon'ble
the Resident in Mysore.

11618.

No. 152
Encl. 6

Office of the Registrar of
Joint Stock Companies in Mysore,

Bangalore, 1st July *191*9.

From

C. Ranganatha Rao Sahib, Esq., B. A., B. L.,
Registrar of Joint Stock Companies in Mysore.
BANGALORE.

To

P. G. D'Souza, Esq., B.A., B.L.,
Secretary to Government, Departments of
Education and Agriculture, Bangalore.

S i r ,

With reference to your letter No.12201/I&C. dated 21st June 1919, I have the honour to submit for the information of Government copy of letter dated 4th March 1919 addressed by the "Mysore Government Security Life and Marriage Assurance Company Limited Mysore" in reply to my letter No.745 dated 26th February. The copy of the advertisement notice received from the Company is also enclosed herewith.

The nature of the business referred to in the advertisement reveals a promise of various forms of prospective benefits to be derived by subscribers on condition of their subscribing in advance certain small sums for a definite length of time and as may be imagined a considerable portion of the profits of the Company consists of forfeited amounts due to the subscribers not continuing their subscriptions.

As an instance, I may mention that under the Property Investment Department a subscriber is promised a loan of Rs.1,000/- on the security of immoveable property valued Rs.1,500/- provided he purchases an investment certificate after paying an admission fee of Rs.10/- and also eight

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annas the value of the certificate. This certificate will entitle him after he obtains the loan of repaying it by instalments of Rs.10/- a month over a period of 200 months at the end of which the loan bond is cancelled. But the certificate can come into effect only ten months after it is issued and the advance is even then only obtainable after prior applicants have been satisfied and in case funds are available. But not getting the loan would appear to be no excuse for his with-holding the monthly contribution of Rs.10/- and any failure of regular payment is visited by the levy of penal interest. It would appear that although the benefits are by no means assured being dependant on several contingencies, the obligation to pay periodical instalments in repayment of a loan that has not been received continues in full force. As a result it would appear that a disheartened subscriber permits his certificate to lapse rather throw away good money after bad.

By way of drawing prominent attention to the profits earned by the shareholders in the Company the advertisement has the following in bold type:-

"A steady dividend at 12 per cent per annum has been declared for the last 2 years". I submit for the information of Government original copies of the last four balance sheets of the Company showing its financial condition from the end of 1914 to the end of 1917. The balance sheet for the year ending 1915 shows that certain of the shareholders who had paid Rs.5/- received a dividend of 12 per cent and the payments on account of dividend aggregated to Rs.22-12-0.

The balance sheets for the years ending 1914 and the 15 months ending December 1917 show that no dividends were declared at all and the balance sheet for the 9 months ending 30th September makes no mention of a dividend. The printed advertisement does not therefore --

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appear to be correct.

The balance sheet for the year ending 1918 has not been received up to date. In regard to their advertisement on covers posted after the New Regulation came into force, giving information only of the authorised -- capital and omitting all references to subscribed and Paid Up capitals and thus rendering themselves liable to punishment under section/clause (2) 75 of the Mysore Regulation the Company state that the cover was printed before the regulation came into force and inadvertently posted.

As the business of this Company has long been the subject of inquiry, I have refrained from further addressing it as I feel that owing to the reasons already indicated it is advisable that in order to safeguard the interests of the public, an Inspector with knowledge of actuarial science should be appointed to go into the -- business of this Company and submit a report.

I submit that Government may direct the appointment of a suitable Inspector under section 138 of the Mysore Companies Regulation.

I have the honour to be,

S i r ,

Your most obedient servant,

C Ranganatha Rao Sahib

R E G I S T R A R .

N.P.S.

Copy of letter dated 4th March 1919 from the Chief Organizer, Mysore Government Security Life and Marriage Assurance Company Limited, Mysore to the Registrar of Joint Stock Companies in Mysore, Bangalore.

Your favour No.745 dated 26th ultimo.

In reply we beg to inform you that the present Directors of this Company had no connection whatsoever with the Directors of the Mutual Property Investment Company except that the undersigned was the Managing Director of that Company also. As regards the nature of the business of the Company, we beg to enclose herein a copy of our advertisement notice (printed before 1st July 1918) for your kind perusal in which your goodself will kindly see that it is most possible to insure lives without premiums under our Two-in-one (share policy) -- scheme, to grant loans without interest and security under our personal investment scheme, and also to remit principal amount by receiving mere interest under our property investment schemes as detailed in the said notice. In case you do not find the schemes clear, the undersigned will be most happy to solve all your doubts you may come across, to your entire satisfaction.

Although we issue balance sheets generally in the month of June every year we mean to issue the same earlier this year which please note. Of course, the accounts for the last year will be got audited by a certified -- auditor as per New Regulation. In the meanwhile, please send us a list of the certified auditors both in Mysore and Bangalore so that we may avail of the services of one of them.

As regards the action to be taken against the Company, we beg to inform you that we would be the last -- persons to do anything contrary to the Regulation. In this connection, we have to submit that we have got --

printed no advertisements notices or covers subsequent to 1st July 1918 and also the strictest instructions have been given to the despatching official to strike off the authorised capital before forwarding any cover or leaflet containing the same. So, the authorised capital on the cover addressed to you does not seem to have been struck off by oversight by the official concerned for which we beg to be kindly excused and thank you in anticipation.

"C O P Y"

Ranganatha Rao

REGISTRAR.

N.P.S.

rinted no advertisements notices or covers subsequent to
st July 1918 and also the strictest instructions have
een given to the despatching official to strike off the
uthorised capital before forwarding any cover or leaflet
ontaining the same. So, the authorised capital on the
over addressed to you does not seem to have been struck
ff by oversight by the official concerned for which we
eg to be kindly excused and thank you in anticipation.

"C O P Y"

Rangamannatao

I.P.S. REGISTRAR. Dated

G.R.S. III—3]

Routine Notes.

[To be used only for ... ord.]

IN YOUR REPLY PLEASE QUOTE THE REFERENCE OF THIS LETTER.

MYSORE GOVERNMENT SECURITY

TEL. ADDRESS: "PIONEER," MYSORE

LIFE AND MARRIAGE ASSURANCE COMPANY, LTD.,

Dept. Capital — Head Office: MYSORE — Life & Marriage Assurance Buildings,

No. 1142/2696 Date 16-8-18 — 12th August 1918

REGISTRAR OF JOINT STOCK COMPANIES IN MYSORE — RECEIVED — Date 16-8-18 — REG. NO. 199

The Registrar of Joint Stock Companies in Mysore, B'lore

Dear Sir,

Your Memo No. 406 of the 7th instant.

In compliance with the above, we beg to resubmit a printed copy of the Articles of Association duly certified by the undersigned and request the favour of an early acknowledgement thereof.

Hoping to be kindly excused for the trouble and thanking you in anticipation,

We have the honour to be,
Sir,
Your most obedient servants

M. L. Nagannah

Chief Organizer.

16/8/18

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

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MEMORANDUM AND ARTICLES

OF

ASSOCIATION

OF THE

MYSORE GOVERNMENT SECURITY

Life & Marriage Assurance Co., Ltd.,

MYSORE.

MEMORANDUM AND ARTICLES

OF

ASSOCIATION

OF THE

MYSORE GOVERNMENT SECURITY

Life & Marriage Assurance Co., Ltd.,

MYSORE.

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BRANCH OFFICE.

Memorandum of Association

OF THE

Mysore Government Security Life and Marriage Assurance Company, Limited.

1. The name of the Company is the "Mysore Government Security Life and Marriage Assurance Company Limited."

2. The Registered Office of the Company will be situated at Mysore in the Province of Mysore.

3. The objects for which the Company is established, are :—

a To carry on in the Mysore Province and in any other part of India the business of insuring money to be paid on the birth, marriage or death of any person or on the happening of such other contingency or class of contingency.

a To distribute bonuses among and pay refunds to the entitled policy-holders out of 50% of the annual income of the Company and to invest the surplus amount in such securities as are determined by the Directors from time to time.

b To disburse 25% of the annual income and also admission fees for the working expense of management of the Company.

c To invest 25% of the annual income of the Company in the Government Securities at the end of every financial year.

d To receive proposals from persons who had taken life and marriage policies in other provident insurance companies and whose policies have lapsed or been discontinued and to give credit in full or part of the amounts paid by them to the other provident insurance companies at the discretion of the Directors until 31st December 1913.

e To buy, lease, mortgage, hire or otherwise acquire and to sell, let, exchange, dispose of, improve, develop, turn to account, manage or deal with either on commission or otherwise any goods, wares, merchandise, lands, buildings, plants, machinery, stock-in trade, shares or other property or right or things by auction or otherwise.

f To borrow and raise money for the purposes of the Company's business.

g To mortgage and charge the undertaking and all or any of the movable and immovable property present or future of the Company including uncalled Capital.

h To raise debenture stock, perpetual or otherwise, with or without specially charging all or any part of the Company's property, payable to bearer or otherwise, and to make, accept, endorse and execute bills of exchange and other negotiable instruments.

i To purchase or otherwise acquire and take over all or any part of the business, property, and liabilities of any person or Company carrying on any business which this Company is authurized to carry on or possessed of property or business suitable for the purposes of this Company.

j To enter into partnership, and into an arrangement for sharing profits, union of interest co-operation and joint adventure, reciprocal, concession or otherwise, with any person, firm or Company carrying on or about to engage in any business or transaction calculated to benefit this Company, and to guarantee the contracts of or otherwise assist such person, firm or Company.

k To purchase or take on lease, or for a term of years, or in exchange or to hire or otherwise acquire for, any estate or interest, any lands, buildings, easements, rights, privileges, concessions and immovable property of any tenure or kind, necessary or convenient for the Company's business in any part of the Mysore Province.

l To erect, construct, lay down, enlarge, alter and maintain any buildings, work and machinery necessary or convenient for the Company's business in any part of the Mysore Province.

m With the sanction of the Company in General Meeting to amalgamate with any other Company whose objects, in whole or part, are similar to or include objects similar to those of the Company, whether by sale or purchase of shares, securities, cash or otherwise of the undertaking of either Company, subject to the liabilities of this or any such other Company as aforesaid, with or without winding up or by sale or purchase for shares, securities, cost or otherwise, of all the shares or stock of this or any such other Campany as aforesaid, or in any other manner.

n To distribute among the members in specie any property of the Company, or any proceeds of sale, or disposal of any property of the Company.

o To invest and deal with the moneys of the Company not immediately required only upon such securities as are determined by the Directors, from time to time.

p To create or set aside out of the Capital, Revenue or Undivided Profits, a Reserve Fund, and to give to any class of creditors any preferential right over any fund or funds so created, and for such purposes to place any portion of the Company's property in the names or within the control of any one or more trustee or trustees.

q To establish Agencies in the Mysore Province and to discontinue the same.

r To do all such other things as are incidental or conducive to the above objects or any of them.

4. The liability of the members is limited.

5. The Capital of the Company is Rs. 1,00,000 divided into 10,000 shares of Rs. ten each, with power to increase.

THE MYSORE GOVERNMENT SECURITY
Life and Marriage Assurance Company, Limited.

Head Office: MYSORE.

NOTICE.

The undernoted regulations have been incorporated after sanction by the share-holders in the Extraordinary General-Meetings held on the 4th and 5th August 1917 and 1st January 1918 and confirmed on the 20th August 1917 and 16th January 1918 respectively, and also brought into force in addition to the regulations mentioned in the table A of the 1st schedule to "The Mysore Companies Regulation No. III of 1895."

M. L. NAGANNAH,
Chief Organizer.

I. Business.

2. The popular life, Marriage and Upanayana business as well as that of the property and personal investment departments of the company shall be extended throughout British India, Burma and Ceylon as there is no provision in the Provident Insurance Societies Act 1912 requiring the companies established outside British India to get themselves incorporated under the said Act while the ordinary life insurance business shall be recommenced soon after the capital of the company is fully subscribed and also necessary security deposit is furnished to the Government of India as per Indian Life Assurance Companies Act 1912.

II. Capital Department.

3. The capital Department of the company shall contain purely share collections and deposits security or otherwise from and advances to the other departments of the company.

III. Mode of Share Calls and Investment.

4. As the capital five lakhs has been divided into 50,000 shares of Rs. 10 each, the amount of Rs. 10 per share shall be called by instalments *i.e.*, annas eight with the application, annas eight on allotment and Rs. 9/- by nine quarterly instalments from the date of allotment. All the shares shall be sold at annas eight premium per share.

5. Out of rupees five lakhs to be collected on the above 50,000 shares, the chief organizer shall make arrangements to purchase, Government of India 3½% pronotes to the face value of two lakhs and lodge the same with the Comptroller-General to the Government of India for and on behalf of the Governor-General in council as per Indian Life Assurance Companies Act 1912. Out of the balance, two lakhs and a half shall be lent at 5% per annum to the property investment department of the company to be utilized in advancing on security of immovable properties. The balance Rs. 50,000 as well as the discount to be gained by the company while purchasing the above said Government pronotes, shall be utilized in purchasing or constructing a building in a suitable place at Mysore for the Head Office. The present building of the company may be resold to its original owner Mr. M. L. Nagannah or any body else whom he names on receipt of the actual amount due on the building to the company being the sale amount and improvement charges.

IV. Dividends and Bonus to Shareholders.

6. The share-holders shall be entitled to the net profits derived from all the departments of the company but only a portion of the same as recommended by the directors shall be transferred to the Capital Department and distributed among the non-defaulting share-holders in form of dividends proportionate to the amounts paid up by them while the balance profit shall be allowed to accumulate as reserve fund of the respective departments.

7. Those that hold ten or more shares are called share policy holders and shall be entitled to extra benefits as follows apart from the profits. In the event of the death of any such share-holder at any time after paying up rupees ten fully per share, his heirs will be entitled to a bonus of Rs. 500 if the death of the deceased happens to be one of the first

25 deaths and Rs. 250 if the death happens to be one of the second 25 deaths occurred in every calendar year among such share-holders (as will hold not less than 10 shares and also will have paid rupees ten per share) out of Rs. 19,500 being interest to be accrued on the share amounts invested in the Government securities and property Investment department of the company as explained in the foregoing article No. 5.

8. If the number of deaths be less than fifty in any calendar year the amount left undisposed off will be reserved and utilized in the year when the number of deaths goes high. If any deaths occur before Rs. 19,500 interest begins to be accrued in a year as above said, the due interest accrued will be distributed proportionately at the end of every calendar year among the heirs of such deceased share-holders as will have held not less than ten shares and also paid up rupees ten per share fully. For example, supposing only Rs. 3,900 interest is accrued in the calendar year. The heirs of only first five deceased share-holders will be entitled to a bonus of Rs. 500 each and those of only the second five deceased share-holders will be entitled to a bonus of Rs. 250 each. If the deaths of such two share-holders (as will hold not less than ten shares and also will have paid up rupees ten per share) occur on one and the same day, the preference will be given to the heirs of that deceased share-holder who will have completed the payment of rupees ten per share earlier. If the deaths of two such share-holders (who will have completed their payment of rupees ten per share on one and the same day) occur on one and the same day, the preference will be given to the heirs of that deceased share-holder whose name will have been registered earlier. The heirs of the share-holders, who get bonus shall be discharged from bonus benefits but shall be entitled only to the dividends as usual; for generations as ordinary share-holders the shares being hereditary.

9. The Chief Organizer may out of the available funds of the Capital department not immediately required for the use of the company, advance loans to the share-holders to the extent of 50% of their paid up share amounts at six per cent. interest per annum, without any further security. Those share-holders who hold ten or more shares shall be entitled to advances on the first mortgage of their immoveable properties also at the same rate of interest at the discretion of the Directors.

V. Forfeiture, Revival and Transfer of Shares.

10. The Chief Organizer can at his discretion forfeit any defaulting shares after giving 15 days' notice and also revive any forfeited shares on payment of all the arrears. He can also accept at his descretion any transfer of shares and also sue any defaulting share-holders for the recovery of the due share calls, while he can allot and reallot shares. Only those share-holders who will have paid Rs. 10 per share, shall get share certificates on payment of annas eight only.

11. The Chief Organizer may decline to register any transfer of shares, not being fully paid shares, to a person of whom he does not approve, and may also decline to register any transfer of shares on which the company has a lien. The Chief organizer may also suspend the registration of transfers during the fourteen days immediately proceeding the ordinary general meeting in each year. The Chief organizer may decline to recognise any instrument of transfer unless.

(*a*) A fee of Rs. 2 is paid to the company in respect thereof and,

(*b*) The instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Chief Organizer may reasonably require to show the right of the transfer or to make the transfer.

VI. Company's Lien on Shares.

12. The company shall have a first and paramount lien upon all the shares registered in the name of every member whether solely or jointly with others for his debts, liabilities and engagements, solely and jointly with any other person to or with the company, whether the time for the payment, fulfilment or discharge thereof shall have actually arrived or not.

13. For the purpose of enforcing such lien, the directors may sell the shares subject thereto, in such manner as they shall think fit; but no sale shall be made until notice in writing of the intention to sell shall have been served on such member or his representative

25 deaths and Rs. 250 if the death happens to be one of the second 25 deaths occurred in every calendar year among such share-holders (as will hold not less than 10 shares and also will have paid rupees ten per share) out of Rs. 19,500 being interest to be accrued on the share amounts invested in the Government securities and property Investment department of the company as explained in the foregoing article No. 5.

8. If the number of deaths be less than fifty in any calendar year the amount left undisposed off will be reserved and utilized in the year when the number of deaths goes high. If any deaths occur before Rs. 19,500 interest begins to be accrued in a year as above said, the due interest accrued will be distributed proportionately at the end of every calendar year among the heirs of such deceased share-holders as will have held not less than ten shares and also paid up rupees ten per share fully. For example, supposing only Rs. 3,900 interest is accrued in the calendar year. The heirs of only first five deceased share-holders will be entitled to a bonus of Rs. 500 each and those of only the second five deceased share-holders will be entitled to a bonus of Rs. 250 each. If the deaths of such two share-holders (as will hold not less than ten shares and also will have paid up rupees ten per share) occur on one and the same day, the preference will be given to the heirs of that deceased share-holder who will have completed the payment of rupees ten per share earlier. If the deaths of two such share-holders (who will have completed their payment of rupees ten per share on one and the same day) occur on one and the same day, the preference will be given to the heirs of that deceased share-holder whose name will have been registered earlier. The heirs of the share-holders who get bonus shall be discharged from bonus benefits but shall be entitled only to the dividends as usual for generations as ordinary share-holders the shares being hereditary.

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11. The Chief Organizer may decline to register any transfer of shares, not being fully paid shares, to a person of whom he does not approve, and may also decline to register any transfer of shares on which the company has a lien. The Chief organizer may also suspend the registration of transfers during the fourteen days immediately proceeding the ordinary general meeting in each year. The Chief organizer may decline to recognise any instrument of transfer unless.

(*a*) A fee of Rs. 2 is paid to the company in respect thereof and.

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13. For the purpose of enforcing such lien, the directors may sell the shares subject thereto, in such manner as they shall think fit; but no sale shall be made until notice in writing of the intention to sell shall have been served on such member or his representative

and default shall have been made by him or them in payment, fulfilment or discharge of such debts, liabilities or engagements for 60 days after such notices.

The net proceeds of any such sale shall be applied in or towards the satisfaction of such debts, liabilities or engagements, and the balance (if any) paid to such member or his representatives.

VII. Evidence.

14. On the trial or hearing of any action or suit to be brought by the company against any member to recover debt due for any call or interest or any money due or claimed to be due from him as such member, it shall be sufficient to prove that the name of the defendant is on the register of members of the company as holder of the number of shares in respect of which such debt accrued; and that (where required by these presents) notice of such call or debt was duly given to the defendant in persuance of these presents, and it shall not be necessary to prove any other matter whatsoever, except the matters aforesaid the proof of which is hereby stated to be sufficient.

15. If any of the persons who derive any benefit from the company, purchase any shares on condition that the amount of their calls shall be met only out of their remuneration, they shall be exempted from being sued and the due calls on their shares shall be adjusted only out of their remuneration. If the benefits are stopped from whatsoever cause, the shares shall be forfeited in case the party does not like to pay up the balance calls in cash.

VIII. Personal Investment Department.

16. This department shall contain free deposit scheme under which any number of series of one lakh bonds of Rs. 50 and Rs. 25 each shall be issued under first and second classes respectively in favour of those who are desirous of depositing moneys free of interest for a fixed period of not less than 25 years. Under free deposit scheme, any person of sound mind can take any number of bonds under any or both the classes without any restriction of caste, creed sex or age. Bond holders aged below 18 shall be represented by their guardians.

17. Along with the cost of bond annas eight, an admission fee of Rs. 3 and Rs. 2 shall be paid with the application under first class and second class respectively. On admission, the first month's subscription of Rs. 2 and Re. 1 shall be paid under first class and second class respectively. The monthly subscription shall be paid either in lump sum or by monthly, quarterly, half yearly or yearly instalments in advance, only for 25 months including that of the first month after which no payments need be made.

18. The subscriptions fall due on the first of each calendar month and shall be paid within the month for which the same are due. If not, the bond lapses to the company. If the bond holder does not pay his or her dues within three months from the due date with a penalty of one anna per rupee per month, his or her name shall be struck off and he or she shall lose all his or her rights and amounts paid. An annual fee of Rs. 2 and Re. 1 shall be paid to the company under first and second classes respectively at the end of every year only for two years apart from admission fees and monthly subscriptions.

19. A bond holder will be called qualified in a calendar year if all the 25 months premia along with annual fees will have been paid up before the end of the previous calendar year. Only the drawn bond holders among such qualified bond holders shall be entitled to advances. Provided a bond is in force for one year at least, 50% of the premia paid shall be refunded to the bond holder in case he desires to surrender his bond to the company. The qualified bond holders shall be entitled to loans out of the available funds of this department up to 50% of the premia paid at 6% interest per annum provided their bonds are in force for two years at least, but in no case the loan applied for shall be less than Rs. 25. In case the bond holder does not pay interest regularly once in six months, a compound interest at 9% shall be charged. If the bond holder allows the compound interest run into arrears for a period of six months, his bond held by the company as security, shall be surrendered to the company without the necessity of any notice being given and the company shall apply the surrender value in payment of the loan, interest and expenses, and pay the balance of such surrender value if any shall remain to the bond holder concerned.

20. If there are one lakh qualified bond holders under the free deposit scheme, in both the first and second classes; 100 bonds shall be drawn under each class in the drawings to be held at the head office of the company at the end of every calendar year in the presence of two directors and a magistrate. Out of 100 drawn bond holders, the first, second and third drawn bond holders shall be entitled to an advance of Rs. 10,000 Rs. 5,000 and Rs. 2,000 under first class, and Rs. 5,000, Rs. 2,500 and Rs. 1,000 under second class respectively. The remaining 97 drawn bond holders shall be entitled to an advance of Rs. 1,000 and Rs. 500 each under first and second classes respectively. *The above-mentioned advances under this scheme shall be made on personal securities free of interest but they shall be repayable to the company in 25 years by quarterly instalments.*

21. If the number of the qualified bond holders be a fraction of one lakh under any of the classes, the first and second advances shall be ignored. According to the drawing of bonds, so many first drawn bond holders as many ten thousands as will be in that fraction of lakh shall get an advance of Rs. 2,000 each in the first class and Rs. 1,000 each in the second class and so many second drawn bond holders as many thousands of bond holders as will be in the same (fraction of lakh) minus above number of first drawn bond holders will get Rs. 1,000 each under first class and Rs. 500 each under second class. If there is a fraction of 10,000, the above advance of Rs 2,000 and Rs. 1,000 shall be ignored, and according to the drawing of bonds, so many first drawn bond holders as many thousands of bond holders as will be in that fraction of 10,000 will get Rs. 1,000 each under the first class and Rs. 500 under the second class respectively. If there is a fraction of 1,000, the last drawn bond holder according to the drawing, shall get an advance proportionate to so many hundreds as will be in that fraction of 1,000 considering part of 100 to be hundred.

22. Under free deposit scheme, at the end of each calendar year, the instalments recovered (minus collection charges) from the drawn bond holders who will have received advance as explained above as well as 12½% net profits of this department shall be distributed as profits among the qualified non-drawn bond holders under both the classes proportionate to the amounts they will have paid to the company. The principal amounts of the non-drawn bond holders shall be returned at any time after 25 years at their option while those of the drawn bond holders shall not be paid until they liquidate the advances they will have received.

23. In case any of the drawn bond holders under the above free deposit scheme die before repaying the amount of loans advanced to them, their heirs shall be entitled to a bonus of Rs. 500 and Rs. 250 under first and second classes respectively. As such, the heirs shall be required to continue paying the further instalments only until the balance advanced amount minus the above bonus amounts as the case may be, is paid to the company. But no amount shall be paid by the company to meet the deficiency in case the amount due by the deceased drawn bond holder on the date of his death happens to be less than the bonus entitled.

24. If there are any share or policy holders who have sustained loss in any way either in the National Insurance and Banking Company, Limited, Amritsar, from which the policies got transferred to this company or the Mutual Property Investment Company Limited, Mysore, which was amalgamated with this company and if they wish to make good their loss, each of them should take up a bond of Rs. 25 in case his loss amounts to Rs. 50 or a bond of Rs. 50 in case his loss amounts to Rs. 100. If the loss exceeds Rs. 100 or part thereof he will be required to take up two bonds of Rs. 50 each. In case his bond is not drawn for 25 years, he shall be entitled to get back the principal amount of the bond or bonds that he pays now along with the amount of the loss sustained, out of the reserve fund of this department. The bond holder will be required to prove the actual loss sustained by him supported by documents and the company shall in turn set forth the above conditions in the bond or bonds to be issued. The loss to be recouped as above said shall not exceed Rs. 200 in the case of each individual and the acceptance of the applications from such persons shall be at the discretion of the directors. This concession shall be in force only up to the end of the year 1918.

IX. Property Investment Department.

25. This department shall contain land and house purchase and investment schemes under which the moneys shall be advanced to the policy holders of this department to purchase houses and lands as well as to clear their prior debts on security of their immovable properties and the same shall be recovered by easy monthly instalments.

26. Advances shall be made only to the qualified certificate holders according to their turn out of the available funds of this department. That is, if there are two qualified certificate holders in a presidency or province, the first chance will be given to him who has joined previously and the next chance will be given to him who has joined subsequently. Advances shall be confined to members only. No money shall be advanced until the security offered is carefully inspected and valued.

27. Certificates cannot be withdrawn and if the payment is not made within days of grace, the certificate lapses to the company, but the same can be got revived within three months from the date of default by paying all the arrears with a penalty of one anna per rupee per month. If any policies lapse and they are got revived, the lapsed certificate holders will be qualified to receive advances only after ten months from the date of the last revival.

28. If a person wants to purchase a house or a land worth Rs. 1,000, he shall purchase an investment certificate for that amount by paying an admission fee of Rs. 10 with the proposal. This certificate shall entitle him to an advance of Rs. 1,000 on security of the purchased property to purchase house or land with, after ten months on his paying to the company Rs. 300 either in lumpsum or by easy monthly instalments which, in no case, should be less than Rs. 5 per mensem. After he receives the advance and takes the property into his possession, he shall have to be paying regularly only Rs. 7 towards interest on balance Rs. 700 (Rs. 1,000 minus Rs. 300) at 12 per cent. per annum for a period of sixteen years and eight months by which time, the whole principal amount shall be written off by the company and the property shall pass to his hands free from incumberance.

29. If a person wants to borrow Rs. 1,000 on security of his immovable properties to liquidate his prior debts or for any other purpose, he shall purchase an investment certificate for that amount by paying admission fee of Rs. 10. This certificate shall entitle him to an advance of Rs. 1,000 after ten months on his paying Rs. 10 regularly every month for not less than ten months from the date of the certificate until he receives the advance. After he gets the advance, he should continue paying the same Rs. 10 every month towards interest at 12 per cent. per annum on Rs. 1,000 for a period of 16 years and 8 months minus as many months as many instalments as he will have paid previous to his receiving the advance when the whole principal amount shall be written off by the company and his property shall pass to his hands free from incumberance.

N.B.—The above examples deal with an advance of Rs. 1,000 only. Certificates can, of course be granted for any amounts that may be multiples of Rs. 100 up to Rs. 5,000. The rates can be calculated proportionately.

30. Any sum can be repaid to the company in excess in addition to the usual payments after receiving the advance, which shall be adjusted towards principal. The borrower can repay the principal amount proportionate to the period continued provided he will have paid interest for 50 months at least. For example, the borrower wants to repay the due principal amount after paying interest regularly for say, 50 months, then the directors shall write off $\frac{1}{4}$ of the principal amount and discharge the debt fully if only $\frac{3}{4}$ of the principal amount is paid.

31. The investment certificate holders shall be entitled to

(a) A surrender value, varying from 50% to 100% of the subscriptions paid, according to the length of time the certificate has been in force if application is made to the Head Office before policy lapses provided the policy is in force for one year at least in case the policy holder dislikes to continue before receiving the advance.

(b) Return of the subscriptions paid with three per cent. compound interest in the event of death before maturity of a certificate.

32. When at least one year in force, certificates can be transferred with all the additional benefit, premiums and privileges that may have accrued provided the premiums are not in arrears. All transfers shall be approved by the directors. A fee of Re. 1 is charged when a transfer is registered.

33. The general board of directors shall appoint local directors of position and influence in each principal town, to inspect and value the properties and also provincial directors in each presidency or province to supervise the business throughout India, Burma and Ceylon, as the above schemes shall be extended to all these places without any exception. The advances to the certificate holders shall be made on recommendation and responsibility of the local directors and subject to the approval of the provincial and general board of directors. The local directors shall be entitled to the inspection fees which shall be met by the certificate holders. The minimum charges shall be Rs. 5 and the maximum charges shall be ½ per cent. on the face value of the certificate. Legal charges per mortgage deed in favour of the company shall amount to one per cent. on the face value of the certificate. The minimum and maximum charges should be Re. 5 and Rs. 25 respectively. In case where the title deed is a complicated one or extra trouble is caused to the legal adviser, an extra fee shall be charged to the certificate holders.

34. The proposers shall pay the cost of certificate at annas eight per thousand and when making advance, stamp and registration fees according to the fees prescribed by the Government from time to time, shall be paid by the certificate holders. Where mortgages are not completed after the title deeds have been examined, one half the scale of expenses for mortgages shall be charged.

X. Notice to Policy holders for Premia in Arrears.

35. The company shall not be bound to issue any notice to any policy holder or bond holder under any of the schemes of the company nor shall such non-issue of the notice be a plea for the non-payment of the premia in due time. In the absence of the accredited agents, the premia shall be remitted direct to the Head Office of the Company.

36. There shall be no restriction as regards change of occupation, residence or travel under any of the schemes. Any change in the address shall be entered in the register of the company.

37. The common seal of the company shall be affixed to each policy, bond or any other instrument issued by the company. The General Secretary and the Managers of the Company are hereby empowered to affix the seal of the Company in all policies, bonds, etc., requiring the seal of the company without special authority from the Board.

38. All the policies, bonds etc., to be issued by the Company shall be signed by general Secretary or Manager concerned and countersigned by one of the directors of the general board provided that no secretary or director signing the same be personally liable therein.

XI. Investment of funds and absolute security.

39. The secretaries of branches to be opened in each and every presidency or province throughout India, Burma and Ceylon, shall be allowed to deposit all the collections then and there (they make in their respective jurisdictions under all the schemes) in the name of the company in their respective presidency or provincial bank with the approval of the chief organizer. In case the amounts are to be deposited in any other bank apart from the Presidency or Provincial ones, a resolution of the Board of Directors as well as the approval of the chief organizer, shall be necessary.

40. Out of the amount thus deposited, 25% of the total premium collections made under Free Deposit, Popular (Life, Marriage and Upanayana) schemes as well as 40% of the total share collections shall be entirely invested in the Government securities. The balance 75% of the premium collections made under free deposit and popular (Life and Marriage and Upanayana) schemes as well as 50% of the share collections shall be utilized in investing on security of immovable properties along with the property investment funds under the land and house purchase and investment schemes. In no case the funds available in one presidency or province shall be utilized for investing on security of immoveable properties in another presidency or province unless the General Board of Directors permit the same at

their discretion as a special case provided the funds so available in one presidency or province are not immediately required for being invested in that particular presidency or province.

41. The Government securities purchased for the company as well as hypothecation deeds to be executed in favour of the company for the amounts advanced on security of immovable properties shall be lodged by the branch secretaries with the banks in their respective jurisdictions for safe custody.

42. All the receipts and disbursements in respect of each class of business shall be kept separate and form separate funds called property investment fund, personal investment fund, popular life fund, popular marriage fund and popular upanayana fund. Popular life, marriage and Upanayana funds shall be invested together but kept separate from other funds, the departments being different from one another.

43. Each of the funds mentioned in the foregoing rules, shall be as absolutely the security of the policy holders of that class as though it belonged to the company carrying on no other business than that of that class, and shall not be liable for any other contracts of the company for which it would not have been liable had the business of the company been only of that class, and shall not be applied directly or indirectly for any purpose other than those of that class of business to which the fund is applicable.

44. If the local agent of a principal town secures share-holders holding not less than 250 shares and also the people in his jurisdiction require loans on security of immovable properties under the land and house purchase and investment schemes of the company, the local agency shall be made a branch and not less than two and not more than four local directors (including the local agent as he will be one of the local directors) of position and influence shall be appointed to be in charge of the branch, on whose recommendation alone the applications for loans shall be accepted and on whose responsibility alone the loans applied for shall be granted on security of immovable properties. Each of the local directors of the local branch shall not only hold not less than fifteen shares in their names but also be prepared to furnish security to the extent of Rs. 250/-in cash and of Rs. 2,500 in immovable properties. If the local directors are proved to be reliable and well versed in business, they shall be authorized to receive both current and fixed deposits for being utilized in investing on security of immovable properties under the land and house purchase and investment schemes.

XII. Expense of the management and allowance to Branch Secretaries and Chief Agents.

45. No portion of the subscriptions collected under any of the schemes of the company shall be disbursed for the expenses of the management of the company but the same (expenses of the Head Office as well as commission payable to the branch secretaries as detailed below) shall be met only out of admission fees, stamp fees and annual fees as well as interest and penalty accrued on the collected subscriptions.

46 The whole of the subscriptions as well as the interest accrued on the same (subscriptions) shall be utilized for the payment of advances to the policy holders under the schemes of the company. Each of the departments *viz.*, property investment, personal investment and popular fund shall have its own income and expenditure separately. The income and expenses of the popular fund department shall be apportioned among life, marriage and upanayana businesses proportionate to the collections and number of policies respectively under each of the life, marriage and upayanaya schemes.

47. The branch secretary or the chief agents of a presidency or province shall get the following commission and office allowance.

1. Annas eight per share shall be allowed on receipt of only one rupee per share with the application irrespective of the collection of further calls for which no commission shall be allowed.

2. 50 and 12½% shall be allowed on admission fees and interest respectively to be collected from the certificate holders under the land and house purchase and investment schemes of the company.

3. 25% and 12½% shall be allowed on admission fees and monthly subscriptions respectively to be collected from the bond holders under free deposit scheme of the company.

On the collections made from the drawn bond holders (to whom advances will have been given) also, 12½% shall be allowed.

4. 25% and 12½% shall be allowed on admission fees and monthly subscriptions respectively to be collected from the policy holders under popular life, marriage and upanyana schemes of the company.

5. 50% and 10% shall be allowed on the first year's premium and renewals respectively on the ordinary life insurance business with medical examination.

6. An office allowance of Rs. 100 shall be allowed per mensem (with an annual increment of Rs. 50/- up to Rs. 250) provided not less than 100 fresh cases under each of the free deposit, popular life and popular (marriage and upanayana) Schemes as well as fresh Loan applications to the face value of not less than Rs. 25,000 under the land and house purchase and investment schemes and also completed ordinary life insurance business (with medical examination) of not less than Rs. 10,000 are secured in every calendar month. The office allowance thus payable shall be apportioned among the four departments *viz.*, property investment, personal investment, popular fund and life insurance. Until ordinary life insurance business is recommenced, not less than 100 shares shall be sold in place of insurance business and the office allowance due by the insurance department shall be met from the capital department.

48. The branch secretary or the chief agents of a Presidency or province shall appoint a local agent or open a local branch in every principal town in his jurisdiction on the terms and conditions prescribed by and subject to the approval of the chief organizer and allow him or it half of the commission allowed to him (Branch Secretary) or them (Chief Agents), while an office allowance of Rs. 25 per mensem shall be paid by the Head office direct either to the local agent or branch in each principal town provided not less than 25 fresh cases under each of the free deposit. Popular life and popular (marriage and upanayana) Schemes as well as fresh loan applications to the face value of not less than Rs. 2,500 and freshly completed ordinary life insurance business with medical examination to the face value of not less than Rs. 2,500 are secured in every calendar month. Until the ordinary life insurance business is recommenced not less than 50 shares shall be sold in every calendar month in place of insurance business. The office allowance thus payable shall also be apportioned among the four departments as explained in the foregoing article.

49. The branch secretary or the chief agents of a presidency or province shall hold not less than 25 shares in his or their names and also be prepared to furnish a cash security of Rs. 1,000 whenever he or they are required to do so, which should bear 6% interest per annum and also have preferencial lien on the assets of the company. If he or they do not secure the business mentioned in sub para (6) of article Nos. 47 every month for two consecutive years, his or their office shall be determined. The office of the branch secretary or the chief agents shall be permanent unless he or they commit any breach of terms or fraud upon the company.

50. The branch Secretary or the Chief Agents shall work directly under the General Secretary and be governed strictly by all the rules and regulations of the company as well as circulars and instructions he or they may receive from time to time from the Chief organizer of the company. The branch secretary or the Chief Agents shall deposit all the collections in his or their jurisdiction then and there in the name of the company with the company's bankers in his or their jurisdiction. In no case the collection made by him or them shall be kept with himself or themselves for more than a week.

51. The company shall supply or the branch secretaries can get only prospectuses, proposal forms and receipt books printed at the cost of the company on the chief organizer's approval whereas all the other expenses incurred for the branch office shall be met only out of the above commission and office allowance allowed to the branch secretaries. The company shall get the branch advertised in one or more newspapers proposed of by the branch secretaries and approved of by the chief organizer at its cost.

52. The Branch Secretaries shall keep and send accounts in the form prescribed by the Chief organizer to the general secretary at the Head Office of the company and all books of letters, documents and other archieves relating to business transaction in their branches shall be the property of the company whether paid for by it or not and such books or documents shall at all times be subject to the inspection of any one authorized by the Chief Organizer to do so on behalf of the company.

53. The Branch Secretaries shall only receive and forward the proposals as per instructions given by the company but cannot vary the terms of the contract; but the Branch Secretaries have got the power of forfeiting policies or bonds in default as per rules and intimate the fact of their doing so immediately to the General Secretary at the Head Office of the company, who alone has got the power to revive the same as his discretion subject to the approval of the Chief Organizer.

54. The Branch Secretaries during the continuance of their office, shall enjoy commission as the premia are collected and all the business secured by them in their jurisdiction whether directly or indirectly shall be considered as done by them alone when calculating the office allowance. Their offices shall not be determined as far as their right such as commission, etc., are concerned unless they commit any fraud upon the company or breach of terms.

55. All the authorized expenses of each branch such as advertisement, printing, etc., as well as commission and office allowance payable to the Branch Secretaries shall be met only out of their collections as nothing shall be paid by the Head Office as an advance or otherwise. The General Secretary shall send for and utilize only so much amount as will be required for the expenses of the company out of the collections made by the Branch Secretaries, subject to the sanction of the Chief Organizer.

56. The local agents and directors shall work directly under the Branch Secretary or Chief Agents of their presidency or province and also abide by all the rules and regulations of the company as well as circulars issued by the Head Office. If any of the local agents or branches does not secure five cases at least in each of the free deposit, popular life and popular (marriage and upanayana) schemes as well as one case under each of the ordinary life insurance and property investment schemes in every calendar month for six months consecutively, not only the renewal commission shall be disallowed for such period but also the local agency or branch as the case may be shall be determined.

57. Each of the local agents shall hold not less than 10 shares in his individual name and also be prepared to furnish a cash security to the extent of Rs. 250 whenever he is required to do so. Similarly each of the local directors of the local branches shall hold shares and also furnish security as mentioned in Article No. 44. The office of the local agents and directors shall be permanent unless they commit any breach of terms, or fraud upon the company.

58. The local directors of a branch shall be jointly responsible for all the transactions concerning that branch. In addition to the commission and office allowance allowed to each branch as mentioned in article No. 48, the local directors of the same shall be entitled to the inspection fees (at half per cent. on the face value of the loan applications) while inspecting and valuing the properties to be hypothecated in favour of the company, and also 10% of the enormous net profits earned in all the departments of the company shall be distributed among all the local branches throughout British India, Burmah and Ceylon proportionate to the amount of collection made in each branch in all the departments of the company in every calendar year.

59. The business done by any or all of the local directors of a branch shall be considered to have been done by the branch itself and as such whatever amount is entitled to by a local branch in form of commission, office allowance, inspection fees and profits of the company minus expenses of the branch, shall be distributed equally among all the local directors of that branch. Whenever the office allowance has to be drawn from the head office either by the local agents or the directors of the local branches, they should submit

bills, showing the business secured in each calendar month in each of the departments separately to the managers of the respective departments through the Branch Secretary or Chief Agents of their presidency or province.

XIII. Provincial Directors and General Meetings:

60. On the 31st December in each year, a meeting of all the members in each presidency or province shall be held in their respective branch office. Fifteen days' notice at the least specifying the day, hour and place of meeting shall be given by the Branch Secretaries to the members by public advertisement in the important newspapers in their respective presidencies. Every member shall have one vote each and the quorum at a meeting of the members shall be five present in person. Members may vote either personally or by proxy. Members include both the qualified policy or bond holders and non defaulting share-holders.

61. The members present shall choose one of them to be the Chairman to preside at such meeting. In case of equality of votes, the Chairman shall have a second or casting vote. In the first meeting so held, the numbers shall appoint four Provincial Directors for their respective Presidencies out of whom one shall be the Legal practitioner and another a Medical Practitioner in preference while the remaining two shall be men of position and influence. Only those who will have been qualified policy or bond-holders under any of the schemes and who will have taken up not less than Twenty-five shares in the Company shall be eligible to be elected as Provincial Directors. Afterwards, once in every four years, the Provincial Directors shall retire and new ones shall be elected by the members in their meetings. A retiring Provincial Director shall be eligible for re-election. The first Provincial Directors in each Presidency or Province may be selected by the Branch Secretary or Chief Agents of that Presidency or Province subject to the approval of the General Board of Directors.

62. The provincial directors shall not only help the branch secretary or chief agents in their jurisdiction in organizing the business but also supervise business done by them then and there. 5% of the net profits of the company earned in all its departments shall be distributed among all the provincial directors throughout India, Burmah and Ceylon proportionate to the amount of collections made in their respective jurisdictions in all the departments of the company (not to speak of the legal and the medical fees to be got as legal and medical advisers for examining the title-deeds of the property investment policy holders and insurance proposers medically respectively) in their respective presidencies or provinces. The building of the company in each presidency or province shall be under the direct supervision of the provincial directors of that presidency or province.

63. The members in their meetings to be held every year, shall choose one of the provincial directors in each presidency or province as their representative to attend the General Meetings whether ordinary or extra-ordinary to be held either at the Head Office of the company or elsewhere at the discretion of the Chief Organizer in the ensuing year. Each of the representatives and directors of the general board including the Chief Organizer shall have one vote in the general meetings. As soon as the representatives are elected by the members, the fact shall be immediately intimated to the Head Office of the company by the branch secretaries.

64. After the close of every financial year, the accounts of the company shall be audited by an auditor appointed by the Government of Mysore, for which necessary arrangements shall be made by the Chief Organizer. After the accounts have been duly audited, a copy thereof and the statements detailed in the prescribed form shall be sent under postal certificate to every representative elected by the members to vote at the general meeting as well as the share-holders so that at least seven clear days shall intervene between the day on which they are sent and the last day on which notice of any resolution to be brought before the general meeting, will be accepted. During the period from the date when such accounts and statements have to be sent to the representatives of members until the time of their adoption in general meeting, they shall be deposited at the head office and copies thereof, at

the principal branch or agency office in each of the provinces in which the company transacts business, for the inspection of any member of the company. In the notice of the meeting to be sent to the representatives of the members, the place, the day and the hour of meeting and in case of special business, the general nature of such business shall be specified. The non-receipt of such notice by any representative or share-holder shall not invalidate the proceedings at any general meeting.

65. One of the directors of the General board shall be chosen to be the chairman to preside at each general meeting and in case of equality of votes, the chairman shall have a second or casting vote. The accounts for the period of fifteen months ending the 31st December 1917 shall be audited by any of the old auditors on the same remuneration. Hereafter the accounts of the company shall be audited by the Government Auditor as mentioned in the foregoing article at the end of every calendar year and the remuneration prescribed by the Government shall be paid.

66. All business shall be deemed special that is transacted at an extraordinary general meeting and all that is transacted at an ordinary meeting, with the exception of the consideration of accounts, balance sheet, and the ordinary report of directors as well as the appointment of auditors and directors of the General board. The quorum at a general meeting whether ordinary or extra ordinary shall be five. Each representative of the members shall receive Rs. 15 for each day's actual attendance in the meeting and be allowed single second class railway fare

67. The accounts and statements prescribed under the Act shall be laid before the Annual General Meeting within six months of the expiration of each financial year of the Company and copies in English of such accounts and statements as well as the report of the Directors adopted at such meeting shall be sent to the Registrars in Mysore and British India.

68. Any member shall be entitled at any time to be furnished by the company with a copy of any part of any account, abstract, statement or report which has been submitted to the members at a charge not exceeding six annas for every hundred words or part thereof required to be copied.

69. If any new rules are to be adopted or any existing rules are to be altered or repealed an extra ordinary general meeting of the share-holders including the representatives of the members of the company shall be called, wherein the new rules may be adopted or the existing rules may be altered or repealed but in no case, the amendment or repeal made in the said meeting shall detrimentally affect the terms of contracts then existing. The copies of the amended rules shall be sent not only to the Registrar within 15 days from the date of confirmation meeting but also a copy of any alteration in the rules which in any way applies to or affects the rights of the then existing policy contracts shall be sent to each of such members.

XIV. The General Board of Directors and Officers.

70. The general board of the company shall contain five persons, *viz.*, three Directors, one Chairman or Managing Director and the Chief Organizer of the company. The directors of the General board including the Chief Organizer shall be such as will hold in their individual names and in their own right fifty shares of the company.

71. The business of the company shall be managed by the General Board of Directors who may exercise all such powers of the company as are not required to be exercised by the company in the general meeting but no regulation made by the company in the General meeting shall invalidate the prior act of the directors. The Chief Organizer of the company shall act as the mananing director also until some one of the Directors is appointed as Chairman on the Board of Directors.

72. To be solely in charge of the Head Office, a general secretary shall be appointed on a monthly salary of Rs. 100 with an annual increment of Rs. 25 up to Rs. 200 in addition to 2 per cent. of the net profits of the company. The General Secretary shall be prepared to furnish a cash security up to Rs. 2,000 whenever he is required to do so. The General Secretary shall work directly under the Chief Organizer and abide by all his instructions as regards the management and conduct of the business of the company.

73. All the applications for the offices of the General Secretary and branch secretaries shall be invited in the leading newspapers approved of by the Chief Organizer who alone shall dispose off the said applications as he deems expedient. The Chief Organizer shall have also the power to appoint, remove or suspend General Secretary, Branch Secretaries and such other officers, clerks, and servants either for temporary or for permanent or special services, as he from time to time deems expedient (for carrying on the business of the company) and may determine their respective duties and powers. There shall be no appeal against his decision. The Chief Organizer, may if he thinks fit, require security to be given by every such General Secretary, Branch Secretary, Officer, Agent, Clerk or servant, before or after he shall enter upon the duties of his office in such an amount as he deems sufficient to ensure the faithful discharge of his duties. All security deposits shall have preferential lien on the assets of the company and bear 6 per cent. interest per annum.

74. The Chief Organizer shall organize branches and agencies throughout India, Burmah and Ceylon either by advertisement or otherwise as he deems expedient. The Head Quarters and office of the Chief Organizer shall be at Mysore for the present and can be changed to any other place according to his convenience. In case he goes on tour either to organize new branches or inspect the existing ones, he shall be entitled to a daily batta of Rs. 2 plus single second class railway fare for himself and single third class railway fare for his servant. The Chief Organizer shall be allowed a permanent personal allowance of Rs. 100 per month with an annual increment of Rs. 50 up to Rs 250 and also given an assistant and a typist for his office on salary of Rs. 25 and 15 respectively in addition to postage and stationery necessary for his office as well as Rs. 10 being his office rent.

75. The office of the Chief Organizer Mr. M. L. Nagannah who is the founder of the company and inventor of the schemes shall be permanent and his nominee shall look after his business during his pleasure and absence. The Chief Organizer shall be entitled to 5 per cent. of the net profits of the company earned in all its departments in addition to his personal allowance. The services of the present Chief Organizer shall not be dispensed with either by the company in the General Meeting or by the Board of Directors unless he resigns or is found guilty of any fraud committed upon the company. No resolution passed either in the general meeting of the company or by the board of directors as regards the management or alteration in the schemes shall have effect unless the said resolution is concurred with the opinion of the Chief Organizer.

76. The General Board of Directors alone shall have the power to fix the amount of salaries and emoluments (whether by commission or otherwise) of those officials of the company whose remuneration is not expressly fixed in these rules and also sanction the loans to be granted on security of immovable properties as mentioned in article No. 33 while the Chief Organizer can invest necessary funds in the Government Securities as per regulations of the company and also sell them for the benefit of the company. The General Board of Directors alone shall have the power to remove or suspend the directors both provincial and local in case they are found guilty of any fraud, and also to appoint local directors.

77. The office of the director of the general board shall be vacated if he is adjudged insolvent or found guilty of any fraud, or if he is found lunatic or becomes of unsound mind or if he is concerned or participated in the profit of any contract of the company provided that no director shall vacate his office by reason of his being Chief Organizer, legal adviser and medical adviser of the company.

78. The board by a resolution passed at a meeting specially convened for the purpose in which resolution thee fourths of the members of the board at least concur may appoint (if vacancy occurs), suspend or remove any director. The company also may by an extra-ordinary resolution remove any director and appoint another person in his stead A director may retire from his office upon giving a written notice of his intention to resign but such resignation shall not take effect until it has been accepted by the board of directors and a properly qualified person is appointed by the board of directors in his stead.

79. The general board may meet together for the despatch of business, adjourn or otherwise regulate their meetings as they think fit either at the head office of the company or the office of the Chief Organizer. Before the board commences to business, they shall choose one of them to be the chairman for that meeting until some one is permanently appointed as such. Questions arising at any meetings shall be decided by a Majority of votes. In case of equality of votes, the chairman shall have a second or casting vote. The quorum necessary for the transaction of the business shall be three. The General Secretary subject to the approval of the Chief Organizer may at any time summon a meeting of the board when there is necessity. The number of such meetings shall not be more than 24 in a calendar year.

80. All the members of the board shall get Rs. 10 for every meeting of the board attended by them plus actual travelling expenses if residing abroad. In addition to this all the directors excluding the Chief Organizer shall get 2% of the net profits of the company each. The General Secretary of the company subject to the approval of the Chief Organizer can circulate the questions to be decided among the members of the board and act up to the opinion of the majority of the members.

81. The General Secretary is authorized to destroy all the files of correspondence ending 31st December 1914. Similarly at the end of every calendar year he shall destroy all the files of correspondence as above said relating to the period previous to three years with the permission of the Chief Organizer.

82. The business of the various departments of the company shall be carried on by the General Secretary at Mysore in the name of the company in the ordinary course under the control and directions of the Chief Organizer subject to the regulations of the company and Bye-laws of the Board of Directors and all receipts and discharges signed by him shall be good and sufficient to all intents and purposes. Out of the funds that come to his hands, he shall retain not more than Rs. 100 to meet the current demands and remit the balance at once to the company's bank.

83. The General Secretary shall cause all authorized disbursements to be made in carrying on the business of the company with the sanction of the Chief Organizer and shall cause proper accounts to be kept of all transactions of the company. If any money is required by the general secretary to make any disbursement, he shall withdraw from the bank by a cheque signed by him and countersigned by the Chief Organizer. The General Secretary shall be responsible for accounting for the moneys so withdrawn from the banks.

84. The General Secretary shall be solely responsible for the Head Office and keep all books, documents, papers and accounts belonging to the company in such form as the Chief Organizer directs. He shall for the conduct of the business of the company be given a staff the number of which shall be decided by the Chief Organizer. He shall also keep copies of all letters signed and received by him and shall submit to the meetings of the company and of the directors all correspondence requiring the attention of those bodies.

85. The General Secretary shall at the end of every financial year settle and adjust such accounts of the respective departments with the board and the auditors and shall make out the balance sheet and all the returns and statements required by the Acts to be audited and signed as the Acts require. He shall duly comply with the provisions of the Acts and the rules of the company subject to which the business of the company will be conducted, and the necessary returns shall be submitted to the Registrars and members of the company then and there in due time. The present manager Mr. K. Rama Rao, Retired Taluk Shristadar, Mysore, shall look after the work of the General Secretary until a competent person is appointed, and get a salary of Rs. 25 per mensem as hitherto. On appointment of the General Secretary, Mr. Rama Row, shall act as the manager of one of the departments of the company or assistant to the Chief Organizer.

86. The board shall cause minutes to be made in the book provided for the purpose *viz.*, (*a*) of all the appointments made by the board and the Chief Organizer (*b*) of all resolutions and proceedings at all meetings of the company and of the board. Every member of the board present at any meeting of the board shall sign his name in the book to be kept for that purpose. If any questions be decided by circulating the same among the members of the board the document containing the opinions of the members of the board shall be attached to the minute book. A fresh minute book for the proceedings to be taken from this date, shall be opened and kept with the Chief Organizer. The old proceedings book, acquittance roll as well as the old and new registers, account books, etc , shall be in sole charge of the General Secretary.

XV. Distribution of Profits and Reserve Fund.

87. The surplus amount of interest accrued in a financial year on the free deposit funds as well as admission fees, cost of bonds, annual fees and penalty recovered and the amount of the lapsed bond holders forfeited during that financial year, after meeting the expenses of management of this department and advances to be paid to the drawn free deposit bond holders shall be the net profit of the personal investment department.

88. The surplus amount of interest accrued in a financial year on the investment made on security of immovable properties as well as admission fees, late fee and cost of policies recovered and the amounts of the defaulting constituents of this department forfeited during that financial year, after meeting the expenses of management as well as interest to be paid to the above three departments and other deposit holders shall be the net profit of the property investment department. Half of the instalments to be recovered from the land and house investment policy holders and also from the advanced land and house purchase policy holders, shall be considered to be interest while calculating net profit and also paying commission on the collections.

89. The surplus amount of interest accrued in a financial year on the popular (life, marriage and upanayana) funds as well as admission fees, cost of bonds, annual fees and penalty recovered and the amount of the lapsed policy holders forfeited during that financial year, after meeting the expenses of management of this department and bonuses to the matured policy holders shall be the net profit of the popular fund department.

90. Out of the net profit earned in each department of the company every year, 30% shall have to be distributed among the Provincial and Local Directors, General Secretary, Chief Organizer and directors of the General Board as mentioned in Article Nos. 62, 72, 75 and 80. 20% of the net profits of the company shall be distributed among the non defaulting share-holders as dividends. 12½% of the net profits earned in the personal investment department shall be distributed among the qualified non drawn bond holders as mentioned in Article No. 22. 15% of the net profits earned in the property investment department and 25% of the profits earned in the popular fund department shall be distributed among the matured policy holders of the popular fund department as mentioned in Article Nos. 98 (*a*) and 98 (*b*). So, 37½ of the net profits of the personal investment department, 35% of the net profits of the property investment department and 25% of the net profits earned by the popular fund department shall be created as reserve fund of their respective departments.

91. The reserve fund of the personal investment department shall be utilized in constructing buildings in each and every presidency or provincial head-quarters including all the Native States for the Branch and Chief Agency Offices as well as for giving free accommodation to the poor students that study in the respective presidencies or provinces. The reserve fund of the property investment and popular fund departments shall be utilized for the property investment business and the interest on that amount at 5% shall be recovered from the property investment department and utilized in giving free boarding clothing etc.,

to the poor students as stated above. Prior chance shall be given to the children of the company's poor share-holders and other constituents when being given free accommodation, boarding and clothing etc.

92. The Directors, Chief Organizer, the General Secretary, Secretaries, Auditors, Legal Advisers and other Officers for the time being of the Society and their heirs, executors and administrators shall be secured harmless, out of the assets and profits of the Society from against all actions, costs, charges, losses, damages and expenses, which they, or any of them, their or any of their heirs, executors and administrators shall or may incur or sustain by any reason of any act done, coucur in or omitted in or about the execution of their duty or supposed duty in their respective offices or trust except such (if any, as they shall incur or sustain by or through their own wilful neglect or defaults respectively and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of confirmity or for any bankers or other persons with whom any moneys or effects belonging to the company shall or may be lodged or deposited for safe custody or for insufficiency or deficiency of any security, upon which any money of or bringing to the company shall be placed out or invested, or for any other loss, misfortune or damage, which may happen in the execution of their respective offices or trust or in the relation thereto except the same shall happen by or through their own wilful neglect or defaults respectively and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipt for the sake of confirmity, or for any bankers or other persons with whom any moneys or effects belonging to the society shall or may be lodged or deposited for safe custody or for insufficiency or deficiency of any security upon which any moneys of or belonging to the society shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices, or trust in relation hereto, except the same shall happen by or through their own wilful neglect or default respectively.

XVI. Popular Fund Department.

93. This department shall contain popular life, marriage and upanayana business. Under popular life scheme, any person of sound health can effect policy without any restriction of caste, creed, sex, age or medical examination. Under the popular marriage scheme, any person of sound mind can effect policies without any restriction of caste, creed, sex or age. Under the popular upanayana scheme, only those having the custom of performing upanayana ceremony can effect policies. The maximum number of policies that a single person can hold under the popular life scheme is only one in any of the three classes whereas under the marriage and upanayana schemes, a single person can hold a policy in all the three classes. Under all these three schemes, the policy holders aged below 18 shall be represented by their guardians.

94. The following admission fees plus cost of each policy *viz* , annas eight shall be paid with the application under the above said life, marriage and upanayana schemes *viz*., Rs. 3 in the first class, Rs. 2 in the second class and Re. 1 in the third class. On admission the first month's subscription of Rs. 2, Re. 1 and annas 8 under the life scheme and Rs. 3 Rs. 2 and Re. 1 under the marriage and upanayana schemes shall be paid under first, second and third classes repectively. The monthly subscriptions shall be paid only for 25 months including that of the first month. This can be paid up either in lump sum or by monthly, quarterly, half-yearly or yearly instalments in advance.

95. The subscriptions under the above three schemes fall due on the 1st of each calender month and shall be paid within the month for which they are due. In default the policy lapses to the company. If the policy holder does not get the policy revived by paying his or her dues within three months from the due date with a penalty of one anna per rupee per month, his or her name shall be struck off and he or she shall lose all his or

her rights and amounts paid. Under all these three schemes, an annual fee of Rs. 3, Rs. 2 and Re. 1 shall be paid to the company under 1st, 2nd and 3rd classes respectively, at the end of every year only for two years.

96. The policy holders under the life scheme shall be qualified to receive bonuses at deaths in a calendar year in case their policies are in force for 180 days at least and also they will have paid up all the 25 months' premia along with annual fees to the company before the end of previous calendar year. While the policy holders under the marriage and upanayana schemes shall be qualified to receive bonuses at marriages or upanayanams as the case may be in a calendar year in case their policies are in force for 365 days at least and also they will have paid up all the 25 months' premia along with annual fees to the company before the end of the previous calendar year. No payment of bonus shall be made on life policies in case of suicide, and on marriage policies in case of Nikha (widow marriage) and Kuduvali (marriage by consent). Only the actual amount of premia paid shall be refunded to the legal heirs or guardians if the deaths, marriages or upanayanams take place before the policy holders become qualified under the schemes and also if deaths occur before marriages or upanayanams take place under marriage and upanayana schemes. The qualified policy holders under both life and marriage schemes shall be entitled to loans up to 50% of the premia paid out of the available funds of this department at 6% interest per annum provided their policies are in force for one year at least. But in no case the loan applied for shall be less than Rs. 25. Provided the policy has been in force for one year at least, 50% of the premia paid shall be refunded to the policy holder in case he desires to surrender his policy to the company.

97. (*a*) On the marriages or upanayanams of the qualified policy holders in every calendar year, the guardians of so many first married or upanayanamed qualified policy holders as many thousands of unmarried or not upanayanamed qualified policy holders as the case may be, will be on the first day of that calendar year, shall be entitled to Rs, 300, Rs. 200 and Rs. 100 each as bonus whereas the guardians of so many second twentyfour married or upanayanamed qualified policy holders as many thousands of qualified unmarried or not upanayanamed policy holders as the case may be, will be as above shall be entitled to Rs. 150, Rs. 100 and Rs. 50 each as bonus under first, second and third classes respectively under the marriage and upanayana schemes.

(*b*) On the deaths of the qualified policy holders in every calendar year, the nominees of so many first deceased qualified policy holders as many thousands of qualified policy holders will be surviving on the first day of that calendar year, shall be entitled to Rs. 400, Rs. 200 and Rs. 100 each as bonus whereas the nominees of so many second nine deceased qualified policy holders as many thousands of qualified surviving policy holders will be as above, shall be entitled to Rs. 200, Rs. 100 and Rs. 50 each as bonus under first, second and third classes respectively under the life scheme.

N. B.—If the number of the qualified policy holders be a fraction of 1000 in any calendar year under any of the schemes the first bonus for that thonsands shall be ignored and so many second bonuses under the life scheme and so many two second bonuses under the marriage or upanayana schemes as many hundreds of surviving and unmarried or not upanayanamed policy holders will be respectively, shall be paid considering part of 100 to be 100.

98. (*a*) Under the life scheme, if there will be more than ten deaths per thousand in any year 25% of the net profits arising from the popular life business as well as 5% of the net profits earned by the property investment department of the company shall be distributed among the nominees of such qualified policy holders as die in excess under all the three classes proportionate to the amount of premia paid and the years of membership in addition to their principal amounts.

☞ **Please circulate this among your friends and relatives.**

Make a small and safe Investment and earn enormous profits !

Insure without premium and aid free education ! !

HAVE YOU NOT HEARD OF THE MOST WONDERFUL SCHEME

CALLED TWO-IN-ONE (SHARE POLICY) SCHEME

BROUGHT FORWARD FOR THE FIRST TIME IN INDIA BY

The Mysore Government Security Life & Marriage Assurance Co., Ltd., Mysore

FOR THE BENEFIT OF THE INDIANS ?

If not enquire and ask for application form and necessary information at once and avail of the undermentioned.

EXTRAORDINARY BENEFITS HITHERTO UNKNOWN TO THE INSURANCE WORLD.

What all you have to do is to apply for ten shares of the Company and pay only Rs. 10 (Rs. 5 towards share amount and Rs. 5 towards premium) with the application and Rs. 5 on allotment. After this, you can pay the balance Rs. 90 by nine quarterly instalments in course of two years and three months, *i.e.*, at Rs. 10 in every three months or ask us to show you **the way how you can get the same adjusted without touching your pocket under our novel free share policy system.**

THE EXTRA-ORDINARY BENEFITS ARE.

1. **Safest investment.** The Company's Capital is Rs 500,000 divided into 50,000 shares of Rs. 10/ -each. Out of Rs. 5,00,000 to be collected on the 50,000 shares (excluding premium) at Rs. 10/—per share, **Government of India** 3½ per cent. **pro-notes** will be purchased to the face value of **two lakhs of rupees** and lodged **with the Comptroller General to the Government of India as per Insurance act 1912** and **Rs. 2,50,000** will be invested at 5 per cent. interest in the property investment department of the company to be utilized **in advancing only on security of immovable properties.** The Balance of Rs. 50,000 as well as discount gained while purchasing Government Securities will be utilized in constructing a building for the Head Office in the town of Mysore in place of the Present one.

2. **Profits.** The Company has already got three progressive departments (*viz.*, Popular (Life, Marriage and Upanayana) Fund, Personal Investment and Property Investment,) and will have another most advantageous department (*viz.*, ordinary Life Insurance with medical examination. Out of the enormous profits earned in all these departments, dividends will be distributed among share holders every year for generations. **A steady dividend at 12** per cent. **per annum has been declared for the last two years.**

3. **Bonus Benefits.** Those share-holders that hold ten or more shares in their individual names and in their own right, will be entitled to the following extra benefits apart from the profits. In the event of the death of any such share-holder at any time after paying up Rs. 10/—fully per share, his heirs will be entitled to a bonus of Rs. 500/—if the death of the deceased happens to be one of the first twenty five deaths, and Rs. 250/—if the death happens to be one of the second twenty five deaths occurred in every calendar year among such share-holders (as will hold not less than ten shares and also will have paid Rs 10/—per share). out of Rs 19,500/—being interest to be accrued on the share amounts invested in the Government Securities and Property Investment Department of the company as explained in para 1.

4. **Loans.** The share-holders will be entitled to a loan of 50 per cent. of the paid up share amount on security of their own shares and also advances on first mortgage of their immovable properties at 6 per cent. interest per annum out of the available fund of the capital department of the company at the discretion of the directors.

5. **Free Education.** As per article No. 90 of the Articles of Association of the company, the buildings of the company will be constructed in each and every Presidency or Provincial head-quarters throughout India, Burmah and Ceylon including all the Native States for giving free accommodation to the poor students and Provision is also made to give them free boarding and clothing out of the profits and interest earned in various departments of the company. In this connection, prior chance will be given to the children of the poor share-holders when being admitted into the Students' Homes of the Company.

6. **Share Holders' Privileges and Qualifications.** The share-holders in each presidency or province can select provincial directors among them to supervise their respective Presidency or Provincial branch and also to attend all the General Meetings of the company (whether ordinary or extra-ordinary) on their behalf. These persons who hold 50, 25, and 15 shares in their individual names and also in their own right will be eligible to be elected as directors on the General, Provincial and local boards of the company respectively whenever vacancy occurs.

N. B.—For the detailed particulars as regards the schemes and the management, please *vide* the Memorandum and Articles of Association of the company which is annexed herewith. Applications for less than ten shares may be given but such shareholders will be entitled to all the other benefits except that of bonus. Applications for more than ten shares will be accepted subject to the approval of the directors.

(*b*) So much so, under the marriage scheme if there will be more marriages than 25 per 1000 in any calendar year, 25% of the net profits arising from the popular marriage business as well as 5% of the net profits earned by the property investment department of the company shall be distributed among the guardians of those assured whose marriages take place in excess, under all the three classes, proportionate to the premia paid and years of membership in addition to their principal amounts. The same rule holds good for the Upanayanam scheme also.

N.B.—The profits thus distributed shall not exceed eight times the premia paid under the life scheme and four times the premia paid under the marriage and Upanayana schemes.

99. On the death of a life policy holder extract of death register as well as proof of death duly certified on oath before a magistrate shall be sent to the Head Office of the Company under registered cover within 30 days from the date of death after which no claim shall be admitted. On the marriage or Upanayana of a policy holder, proof of marriage or Upanayana duly certified on oath before a magistrate shall be similarly sent under registered cover within 30 days from the date of marriage or Upanayana as the case may be after which no claim shall be admitted. Printed forms of death, marriage and Upanayana proofs shall be supplied from the Branch or Chief Agency Offices of the Company in their respective presidency or provinces through which alone the certified proofs shall be submitted to the Head Office.

100. Intimation of marriage or Upanayana shall be sent to the Branch Secretary or the Chief Agents of the respective presidency or province fifteen days before the marriage or upanayana takes place and the Branch Secretary or the Chief Agents as the case may be shall make arrangements to advance the policy holders the actual amount of premia paid on the marriage or upanayana day as the case may be when there is a reliable agent in the station. Regarding deaths too the application shall be similarly made soon after the death takes place and the necessary arrangements shall be made to advance immediately the actual amount of premia to the nominee when there is a reliable agent in the station. The due balance bonus shall be paid according to the turn of deaths, marriages or Upanayanas as the case may be after the accounts of that calendar year are closed.

ERRATA.

Page.	Line.	Mistake.	Correct.
2	 12	.... the	... a
2	 21	.... bonus	... bonuses
9	 11	.... as	.... at
10	 15	.... numbers	.... members

PAYNE AND CO., MADRAS.

Free copy
M. A. Muthannah
Managing Director
12.8.18

G. R. S. VI—G/32]

SUBJECT.....

Diary No. of letter replied to..... 96.....

GENERAL AND REVENUE SECRETARIAT

( )

, the 191 .

Date of issue 11. 7. 19

Signed by Ws. U. K. Rao.

Section: ~~J. IV C.~~ Revte.

File No. 57-19

Serial No.

No. 473

To

The Registrar of J. S. Cos.

Sir,

With reference to your letter No 1576 dt 1/2-7-19 reporting on the unsatisfactory state of affairs of the Mysore Govt Workmens Savings & Life Assce Co Ld, Mysore & requesting the appointment of an Inspector with knowledge of Actuarial Science to examine its affairs, I am directed to state that if any such Inspector is available, he may be appointed to the Secy of the Insurance Committee may be requested through the Controller, to lend the services of a

over.

to undertake the work:
competent official ~~for the pur-~~
~~pose.~~

I have &c

10.7.19
Secy E.W.A.

9.7.19.

List of enclosures.

Copied by

Examined by.

WD 1744—GPB—30,500—19-5-19

86

Pol 114/86

THE RESIDENCY
BANGALORE

Dear Mr. Balasundaram Iyer,

With reference to the correspondence ending with your demi official letter No. Pol.1172, dated the 12th July 1918, I am desired to enclose, for the information of the Durbar, copies of two further letters received from the Actuary to the Government of India.

Letter No. 7334, dated the 30th July 1918, from the Actuary to the Government of India.
Letter No. 38/1671, dated the 12th January 1919, from the Chief Organizer, Mysore Government Security, Life and Marriage Assurance Company, Ltd.

to the Government of India, relating to the Mysore Government Security Life and Marriage Assurance Company Ltd.

I am at the same time to ask when I may expect to receive the further communication promised in your letter cited above regarding the result of the action which was to be taken in accordance with certain suggestions put forward by Mr. Srinivasa Iyengar.

Yours sincerely,

To
C.S. Balasundaram Iyer Esq,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore.

I.S

Letter No. 7334, dated the 30th July 1918, from H.C.W. Meikle, Esqr, F.F.A., Actuary to the Government of India, to the Chief Organiser, Mysore Government Security Life and Marriage Assurance Company Limited, Life and Marriage Assurance Buildings, Mysore.

****

I duly received your letter No. 1055/2809 of 13th instant forwarding a copy of the Popular Fund Prospectus describing the scheme referred to in the Director's report on last years accounts. In your letter No. 989/2743 of 20th June last to the Registrar of Joint Stock Companies in Bengal, you state that you have now decided to allow policyholders to take up policies in all the 3 classes under the popular life scheme thereby making the total sum assured exceed the limit prescribed in Section 3 of the Indian Provident Insurance Societies Act, and that consequently you have absolutely nothing to do with the Indian Provident Insurance Societies Act. You further state that as your Bengal Agents merely canvass for business your Company does not carry on any life assurance business in Bengal. This view is not correct. As you have appointed Agents in British India with the object of obtaining Life Assurance business your Company is thereby subject to all the provisions of the Indian Life Assurance Companies Act, 1912. You are, therefore, required to at once prevent your Agents canvassing for business until the full deposit of Rs. 25,000 has been paid, otherwise incidentally you render them liable to the penalties prescribed in Section 34 of that Act. In a previous letter you asked my opinion on the Popular Fund Scheme under which your Agents in British India are now canvassing for and procuring business. I will briefly give my opinion by stating that I consider it throughly unsound and little if any better than the many other forms of dividing society business which have brought not only discredit on Indian enterprise but misery to Indian policyholders. I shall be obliged by your sending me the address of each Branch Office and Chief Agency in British India in order that I may send

them

88

them a copy of this letter.

****

C O P Y

REGISTRAR.

Resident's Office.

Letter No. 38/1671, dated the 12th January 1919, from the Chief Organizer, Mysore Government Security, Life and Marriage Assurance Company, Limited, to the Actuary, to the Government of India, Simla

****

In continuation of this office No. 1631, dated the 31st ultimo, we forget to write to you in the same that we are accepting only applications for popular and life and Marriage Assurance received direct (not through the Agents) at the Head Office either from British India or elsewhere which please note.

****

C O P Y

Ans Seris

R E G I S T R A R

Resident's Office.

I S

D 776 : 90

No. 337
Encl. 1

Office of the Registrar of
Joint Stock Companies in Mysore.

Bangalore, 28th July 1919.

Police 57-19-14 · 2863.

From

~~C. Ranganatha Rao Sahib, Esq., B. A., B. L.,~~
The Registrar of Joint Stock Companies in Mysore.
BANGALORE.

To

The Secretary to the Government of
His Highness the Maharaja of Mysore,
Department of Education and Agriculture

Sir,

I have the honour to forward herewith the Communication No. 360/1993 A dated 14.7.1919 from the Managing Director, Mysore Government Security Life and Marriage Assurance Company, Limited, Mysore, as it is addressed to the General and Revenue Secretary to the Government.

I have the honour to be,
Sir,
Your most obedient Servant,

K H Ramayya
Registrar, In charge.

IN YOUR COMMUNICATION, PLEASE QUOTE THE REFERENCE OF THIS LETTER.

MYSORE GOVERNMENT SECURITY

Tel. Address:- "PIONEER" Mysore.

LIFE AND MARRIAGE ASSURANCE COMPANY, LIMITED, MYSORE.

Dept. Capital.

Head Office: - MYSORE, Life & Marriage Assurance Buildings,

Dated, 14th July 1919.

To 1553

No. 360/1993

The Registrar of Joint Stock Companies in Mysore, Bangalore.

Dear Sir,

Your kind favour No.153 dated 1st instant.

We cannot express our heartfelt gratitude for your kindness in recommending to the Government for the appointment of an Inspector with a knowledge of Actuarial Science at its (Government) cost when the General and Revenue Secretary to the Government as well as your predecessor did refuse in spite of our requests to appoint a Government Auditor to audit the accounts of the Company every year at the Company's cost as per their endorements No. J,3676 Regis:51-14-2 dated 28th April 1915 and No.459 dated 21st December 1917 respectively, and also when our present financial circumstances do not permit us to consult any Actuary at our cost.

You can very well imagine that our object in asking the Government keenly to appoint a Government Auditor although our Company's accounts were audited twice by specially deputed Officers at the instance of the then Deputy Commissioners Messrs. Subramanya Iyer and Methan was to remove the bad impression from the minds of both the public and Government regarding the business of our Company. We have to thank you very sincerely as none of your predecessors took so much interest as you have taken. Only he who has got a knowledge of Actuarial science, can appreciate our schemes and as such if an Inspector of the said qualifications is appointed by the Government, not only the bad impression as regards our Company's business will be removed but also our schemes will become popular as they cannot but be recommended by the Inspector to be advantageous to both the Company and its constituents. In this connection, it may not be out of place to mention here that the business of the Company is being conducted systematically and the Head Office is being managed by the retired Government Officers of status and responsibility who are well versed in Accountancy, Book-keeping etc.

Thanking you once more for your kind sympathy,

We have the honour to be,
Sir,
Your most obedient servant,

(sd) M.L. Nagannah.

Managing Director.

Rec 24.7.19

J 369 24.7.19

No. 360/1993A.

The above copy forwarded with best compliements to the General

72)

General and Revenue Secretary to the Government with an humble request that he will kindly comply with the recommendation of the Registrar as early as practicable.

M. L. Agarwala

Managing Director.

Revenue

Send it back to the Secretariat as it is addressed to the Land Revenue Secretary.

24/7/19.

Ext
24/7/19

No. 370 Encl

Office of the Registrar of
Joint Stock Companies in Mysore,
Bangalore, 13th August, 1919.

From

The Registrar of Joint Stock Companies in Mysore,

4420 BANGALORE.

To

P. G. D'Souza Esq., B. A. B. L.,
Secretary, Departments of Education and Agriculture,
to the Government of H.H. the Maharaja of Mysore,
BANGALORE.

Sir,

With reference to your letter No.C.473/I & C. dated
582 11-7-19, I have the honour to forward herewith copy of the reply that I have received from the Secretary, Mysore Life Insurance Committee's Office stating that no hands can be spared for undertaking the enquiry of the affairs of the Mysore Government Security Marriage and Life Assurance Company and to state that Government may be so good as to arrange with the Comptroller for sparing the services of any competent Accountant of his office for the purpose. I have to state also in this connection that the inspection by this official of the accounts maintained by the Company together with a close investigation of matters necessary to be observed under the Companies Regulation will enable me to submit my final report in the matter.

I have the honour to be,

Sir,

Your most obedient servant,

K H Ramayya

Registrar.

Acharya.

94

~~General~~ No.1165 Dated 1/8.19

Copy of letter/received from the Secretary, Mysore State Life Assurance Committee to the Registrar, Joint Stock Companies in Mysore, Bangalore, ~~dated 1-8-19~~.

~~Sir~~,

I have the honour to acknowledge the receipt of your No.311/Encl. dated 22-7-19 requesting me to spare the services of a competent official of the Insurance Office to examine the affairs of the Mysore Government Security Marriage and Life Assurance Company, Limited, Mysore, I have the honour to inform you that no hand can be spared for the purpose.

K H Ramayya
Registrar, In charge.

D.O.

Lr. 239

dated 25th August 1919

&
RESUBMIT

To The First Resident
Police Hon'ble
17-9-16

Dear Sir,

With reference to the correspondence ending with your D.O. letter No.5719 - dated 21st July 1919, regarding the - affairs of the Mysore Government Security Life and Marriage Assurance Co., Ltd I am desired to state that the Registrar of Joint Stock Companies to whom the suggestions of the Inspector General of Police (Mr. K. R. Srinivasaiengar) were referred, has brought to the notice of Government among other matters, that a considerable portion of the profits of the Company consists of forfeited - amounts due to the subscribers not continuing their subscriptions and that the advertisement regarding the declaration of "a steady dividend at 12% per annum for the last 2 years" does not appear to be correct. The balance sheet of the Company for the year ending 1915 shows that certain of the shareholders who had paid Rs.5/- received a dividend of 12%, while no dividends were declared at all for the year ending 1914 and the 15 months ending December 1917, and no mention of a dividend is made in the balance sheet for the 9 months ending 30th September 1918. The Registrar has, in the circumstances,

2. He has also suggested that in order to safeguard the interests of the public, an Inspector with knowledge of actuarial science should be appointed under Sec 138 of the Mysore Companies Regn VIII of 1917. to go into the business of the Company and

and submit a report. ~~The necessary action will be taken at the Deputation~~ ~~desk suggested by me.~~ ~~This suggestion is under consideration~~ Decision

3. I am to add that action is being taken to appoint a competent official for making a detailed examination of the condition of the Company and ~~that the results of the examination will be~~ if any intimated to you in due course.

3. Necessary action will be taken at the Deputation desk of the Registrar of Joint Stock Companies. The result of the action

Yours sincerely,

C8X 1878

D.M. 1618

21/8/78

To

The First Assistant to the
Hon'ble the Resident in
MYSORE.

Ans 1618

ACH.

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

GENERAL AND REVENUE SECRETARIAT
(Police).
the 191 .

Date of issue.....

Signed by.....

Section Police
File No. SG-19
Serial No. 1

D. O No. 5520

To

Mr Ranganatha
Rao Sahib's

Dear Sir.

Referring to the correspondence ending with ~~your~~ his letter no 152/6 dt 2-7-19 re the affairs of the Mysore Govt Security Life and Marriage Assurance Co, Ltd, Mysore, I am desired to state that before action can be taken under Sec 138 of the Companies Regulation as suggested in the last para of ~~your~~ the said letter, a report by you under Sec 137(5) has to be sent up to Govt, if after

over.

5

necessary ~~be~~, enquiry you are satisfied that the condition of the Concern discloses an unsatisfactory state of affairs &c. The report contained in ~~your~~ the letter under reply cannot be held to satisfy the requirements of the said ~~section~~, and I am accordingly to request you ~~to~~ further examine the Company with the help of a competent accountant or actuary, and ~~investigate~~ probe into its affairs as far as you can, and report the result to Govt. To help you in your enquiry you may, if necessary, send the available papers to the Govt of India Actuary and ascertain the ~~point to which enquiry should be directed~~ joint ~~for proceeding further~~.

2. The Comptroller ~~to~~ is being addressed in the matter

I am to request the a full reply in 6 weeks.

List of enclosures.

Copied by

Examined by

WD 1744—GPB—30,000—19-3-19

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(Continuation sheet draft form.)

99

of sparing an accountant for his office as proposed in your letter no 320 of the 31st August.

Yours sincerely

GBB

29.

R. H. Ramarra Esq
B.A., Bar-at-law.

G. R. S. VI—G/32]

SUBJECT Sparing an accountant of the Controller's Office for assisting the Registrar in examining the affairs of the Mysore Life Assurance Marriage Fund.

Diary No. of letter replied to 3263

Section Police

File No. 57-19

Serial No. 42

GENERAL AND REVENUE SECRETARIAT

(Police)

the 191

No. S552/

Date of issue 3/9

Signed by M' Rao

To

The Comptroller &
Mysore Govt

Sir,

I am directed to state that there is an apprehension that ~~it has been brought~~ to the notice of Govt that the affairs of the Mysore Govt Security Life & ~~Marriage~~ Assurance Co, Ltd, Mysore, are not being conducted in a satisfactory manner, and it is therefore proposed to have them ~~temporarily~~ investigated to sift

over. the

is again
the business of the
said Co. by anyone
having an accurate
Knowledge of actarial
science in the public interests
of the general public.

thoroughly examined by the Registrar of Joint Stock Companies with the help of a competent accountant or actuary

2. I am accordingly to request that you will kindly arrange for this examination whether the services of a competent official or your office accountant cannot be spared for the purpose.

The matter may be kindly treated as very urgent

~~I shall be glad to receive an early reply~~
~~if required~~

I have &c

List of enclosures.

Copied by

Examined by

WD 1744—GPB—80,000—19-3-19

7533

4783/02

Police 57-19-19

Please address all future communications to the Comptroller to the Govt. of H.H. the Maharaja of Mysore.
In reply to this Comn. please refer to
No.....
R.384.

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

Dated, Bangalore, the 9th September 1919.

FROM

T. Satyaraj Chetty Esq., B.A.,
M. N. KRISHNA RAO, ESQ., B.A.,

Offg: *Comptroller to the Government of His Highness the Maharaja of Mysore.*

To

C. S. Balasundaram Iyer, ESQ., B.A.,
Chief *Secretary to the Government of Mysore,*
.....*Department.*

SIR,

Adverting to your letter No. G.5521 dated 3rd September 1919 asking me to arrange for the services of a competent official of this being spared to assist the Registrar of Joint Stock Companies to examine the affairs of the Mysore Government Security Life and Marriage Assurance Co., Limited, Mysore, I have the honor to state that the services of Mr. K. Sampathiengar B.A., who has just returned from Bombay after a year's training in the system of Commercial Accounts under Messrs. K. S. Aiyar & Co., of Bombay, and who has had the benefit of several audits of the accounts of big commercial concerns under their direct guidance including several Insurance Companies will be made available for the work whenever required. A pay of Rs.100/- has been proposed for him in the grades of Superintendents, in this office letter No.358/R. dated 3rd September 1919 to Government in the Finance Department. I request that you will kindly obtain sanction of Government to give him this pay plus a deputation allowance of Rs.20/- under Article 55, Mysore Service Regulations for the period his services are utilized in connection with the examination of the affairs of the Company.

I have the honor to be,
Sir,
Your most obedient servant,

T Satyaraj Chetty

Offg: Comptroller.

SAM

WD A 0610—GPB—5,000—10-8-17

C. O. 42-Rec.—17]

.....Department

191 .

FROM

M. N. KRISHNA RAO, ESQ., B.A.,
Comptroller to the Govt. of
H. H. the Maharaja of Mysore.

To

.....ESQ.,

Secretary to the Govt. of Mysore,

Dept.

Dated

Despatched

Received

No.....

Subject matter.

Office of the Registrar of
Joint Stock Companies in Mysore,
Bangalore, Dated 15th September 1919.

Dear Sir,

I received your D. O. No. G.5520 of the 3rd instant. The Chief Organizer of the Mysore Government Security Marriage and Life Assurance Company Ltd., has been regularly sending the prescribed returns to this office, and it is not easy to discover an unsatisfactory state of things in the affairs of the Company by the mere perusal of such documents which will have to be done, if action is deemed necessary to be taken under section 138 of the Companies Regulation. I shall however inspect the Company during the middle of next month and the assistance of a competent Accountant from the Comptroller's office at the time may be invaluable to get an insight into the Company's true financial condition. In the meanwhile, I request you to be so good as to kindly send me the papers pertaining to the India Actuary's correspondence so as to enable me to ascertain the points in which he expects an enquiry to be made.

Yours sincerely
K H Ramayya

To.

C. S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore.

N.P.S.

919

104

M. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to... 4-991

GENERAL AND REVENUE SECRETARIAT
(Police)
the 191 .

Date of issue..... 25/9

Signed by.....

Section Police
File No. 57—19
Serial No. 21.

D.O. No. 7652 Ene. 2

To

The Registrar,
Joint-Stock Companies
in Mysore

Dear Sir,

With reference to your D.O. letter No. 624 dt 15th Sept^r 1919, ~~I am di~~ regarding the affairs of the Mysore Govt Security ~~Life~~ & Marriage Assurance Co, Ltd, Mysore, I am ~~directed~~ desired to ~~forward~~ send herewith, as requested, copies of the two letters received from the Govt of India Actuary in the matter.

Dated 19/9
~~S&B.~~ ~~For Chief Secy~~

Yours sincerely,

A22 17/9
18/9

[Please type flags: VVT]

9/9

105

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to 4991

GENERAL AND REVENUE SECRETARIAT
(Police)
the *191*

Date of issue 20.10.1919

Signed by Mr P.M

Section Police
File No. 57-19
Serial No. 22

No. G 8913

To

The Comptroller,
Mysore Govt

Sir,

With reference to your letter No. R.382 d/ 9th Sept 1919 proposing a pay of Rs 100/- and a deputation allce of Rs 20/- to Mr. K. Sampathiengar during the period he is engaged in auditing the accounts of the Mysore Govt Security Life & Marriage Assurance Co., I am directed to request you to be so good as to furnish information on the following points:-

1) What is this officials pay at present in your office?
2 How is the cost of his deputation to be met.

I have &c

over.

D. 1419

For Chief Secy

Police 57-17-23

Secy No 7019.

Please address all future communications to the Comptroller to the Govt. of H.H. the Maharaja of Mysore.
In reply to this Comn. please refer to
No. R.670.

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

Dated, Bangalore, the 29 Octr. 191 9.

FROM

T.Satyaraj Chetty, Esq., B.A.,
~~M. N. KRISHNA RAO, Esq., B.A.,~~

Offg: *Comptroller to the Government of His Highness the Maharaja of Mysore.*

To

C.S. Balasundaram Iyer, Esq., B.A.,

Chief *Secretary to the Government of Mysore,*

Bangalore. *Department.*

SIR,

With reference to your letter No.G.8915/Police 57-19-22, dated 20th October, 19 re the pay of Mr.M.K.Sampath Iyengar, I have the honour to state that he was appointed as a Commercial Probationer in Government Order No.G.12128/GN.434-17-8, dated 5th March 18. He was under training in Bombay for one year from 13th August 18. During the period of his training in Bombay, he was getting Rs.100 plus a local allowance of Rs.25/- per mensem. On his return from training, he has been recommended to Government for a place on Rs.100/- in this office letter No. 358/R. dated 2nd September 19.

Pending the receipt of orders on the above proposal, he is now getting only Rs.75/- as Commercial Probationer.

I have the honor to be,

Sir,

Your most obedient servant,

T Satyaraj Chetty

Offg: Comptroller.

WD A 0610–GPB—5,000—10-8-17

C. O. 42-Rec.—17]

.....Department

191 . .

FROM

M. N. KRISHNA RAO, ESQ., B.A.,
Comptroller to the Govt. of
H. H. the Maharaja of Mysore.

To

.....ESQ.,

Secretary to the Govt. of Mysore,

Dept.

Dated

Despatched

Received

No.....

Subject matter.

DIARY No. 741 15

1919 1920

SECTION Private

Please address all future communications to the Comptroller to the Govt. of H.H. the Maharaja of Mysore.
In reply to this Comn. please refer to
No. 700/K. & one

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

SERIAL No. 24

Dated, Bangalore, the 4th Nov. 1919.

NOV 1919

1179 FROM

P. Satyaraj Chetty, Esq., B.A.,
~~M. N. KRISHNA RAO, ESQ. B.A.,~~

Offg: *Comptroller to the Government of His Highness the Maharaja of Mysore.*

To

The Hon'ble C. Balasundaram Iyer, Esq., B.A.,
Chief *Secretary to the Government of Mysore,*
Bangalore *Department*

SIR,

In continuation of this office letter No.670 dated 30th October 19, I have the honor to forward herewith a copy of my letter addressed to the Registrar of Joint Stock Companies, and to state that I have, in anticipation of Government Sanction, directed the clerk to report himself for work to the Registrar of Joint Stock Companies in Mysore.

I request that early orders of Government may be obtained as regards the pay for the auditor proposed in this office letter No.381 dated 9th September 19.

I have the honor to be,

Sir,

Your most obedient servant,

P. Satyaraj Chetty

Offg: Comptroller.

4.11.19

Copy of letter No.698/K dated 3rd November 1919, from the Comptroller to the Government of Mysore, Bangalore, to the Registrar of Joint Stock Companies in Mysore.

==========

With reference to your letter No.511 dated 23rd October 19, I have the honor to inform you that Mr. M. K. Sampath Iyengar, B.A., who has returned from Bombay after a year's training in the system of Commercial Accounts under Messrs. K. S. Aiyer & Co., Bombay, has been directed to report himself for duty in your office.

========

S Subbarow
For Superintendent, Records Section,
Comptroller's Office.

5/11/19

MSK/5-11.

G.R.S. VI–71]

SUBJECT..... Appointment of an Inspecta under Sec 138 of the Companies Act to examine the affairs of the Mysore Govt Marriage Life Insce Company Ltd, Mysore

Diary No. of letter replied to..... 7411

Section Pol

File No. 57-19

Serial No.. 25

General and Revenue Secretariat

( )

, the 191

Proceedings of the Government of His Highness the Maharaja of Mysore.

Date of issue..... 20/11

Signed by..... Dr Rao 20/11

Read—

2. Correspondence ending with letter no. R. 3849 dt 19/9/19 from the Comptroller to Govt stating that the services of Mr K. S. Ampath Iyengar, who has had a training in the commercial accounts in Bombay and has the benefit of several audits of the accounts of big Commercial Concerns under the guidance of General Insurance Companies of Bombay, will be made available to assist the Registrar of Joint Stock Companies to examine the affairs of the said Govt Security Life & Marriage Bonus Company

W.— 1. Letter no 152 dt 1-7-19 from the Registrar of Joint Stock Companies in Mysore requesting for reasons stated that an Inspecta maybe appointed

May this be under Sec 138 of the Mysore Companies Regulation to investigate the affairs of the Mysore Govt Security Life Insurance Marriage Bonus Company, Ltd, Mysore

i Printed ?

ii treated as Expenditure ?

iii published in the Gazette, English Part ?

iv translated ?

v placed at the disposal of the press ?

vi published in the Gazette, Kannada Part ?

110

~~Co. Ltd. Improve~~

2. Letter no 700/R 9 4/6.11.19 from The Comptroller stating that he has, in anticipation of sanction, directed Mr K. Sampath to report himself for work in the Registrar of Joint Stock Companies:

Order no. G 115068

Govt. are pleased to appoint Mr. K. Sampathivelu as an Inspector in the Registration to carefully scrutinize the working of the Mysore Govt Life Assurance Co. Ltd, Mysore especially with reference to the allegations made against the Company and to submit his report by the accompaniment to the Registrar of Joint Stock Companies

3. The Registrar of Joint Stock Companies is requested to forward The report of the Inspector of Govt with his remarks through the G.G. of India and to submit a copy of the same time to Govt for their information

3. Separate orders will be passed about the pay and allowance of the Inspector & the action to be taken by the Comptroller is approved.

List of enclosures.

Copied by

Examined by

WD 1711—GPB—30,000—17-3-19

Orders given to Mr Sampathivelu during the period of his deputation as also about the budget head to which the charge should be debited

G.R.S. 27|

GENERAL AND REVENUE SECRETARIAT.

(Continuation sheet draft form.)

Thkey

To

The Comptroller & Aud

" The Minister, Joint Stock Companies.

" The P. G. of Stores.

11/11

11/11

18/11

11/11

G.R.S. VI-71]

SUBJECT.....

Diary No. of letter replied to 7.411

General and Revenue Secretariat
(Police)

, *the* 191

Date of issue 12/1/20

Signed by Mr P M Rao

May this be

i Printed?

ii treated as a standing order ?

iii published in the Gazette, English Part ?

iv translated ?

v placed at the disposal of the press?

vi published in the Gazette, Kannada Part ?

Section Police
File No. 57-19
Serial No. 26

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read—

Paragraph 3 of G.O. No. G. 11506-8 / Police 57-19-25 M/ dt. the Nov. 1919 sanctioning the appointment of Mr. M. R. Seripath Iyengar Criminal Probationer as Inspector under Sec 138 of the Mysore Order Thereon—No Companies' Regulation to investigate and scrutinize the affairs of the Mysore Govt Security Life and

163

Marriage Assurance
boy Ltd., Mysore,
and stating that separate
orders will issue regarding
the pay and allowance
to be given to Mr.
Sampathiengar during
the period of his de-
putation.

Order No. G 1579 3-6 W) 12-1 19:0.

Govt are pleased to
sanction a pay
of Rs: 100/- and a deputation
allowance of Rs: 20/ under ART: 65, M.S.R.
to Mr
Sampathiengar,
during the period
his services are utilized in con-
nection with the
investigation of the
affairs of the Life
and Marriage Assu-
rance boy in question.

appointment as an Inspector under the Mysore Companies Regn

the cost being met out of the
Sanctd grants in the current
years budget in the P+C. debit

List of enclosures.

Copied by

Examined by

WD 1711—GPB—30,000—17-3-19

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(Continuation sheet draft form.)

114

2. ~~The~~ cost will be debited to

Dy
5/12

CSX
17/12

~~For~~ Chief Secy

To The I.G. of Police
The Comptroller.
The Registrar of Joint Stock Companies in Mysore

SGR
3/12

Director of Ind & Com dept.

Copy to the Secy to GoI

115

115

1370

Office of the Registrar of
Joint Stock Companies in Mysore,
Bangalore, 20th January 1920

57-19

D.O. No. 780 Fne: 4

Confl.

Dear Sir,

With reference to the Government Order No.G.11506-8/Pol.57-19-25 of the 20th November '19 I send enclosed for your information, copy of my letter No. 779 dated ~~15~~ 20th January 1919 sent to you through the Inspector General of Police in Mysore.

Yours sincerely,
K.H.Ramayya.

To

C. S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore.

N.P.S.

No: 779 Enc:

16

From

20th Jany. 20

K. H. Ramayya, Esq., B.A., Bar-at-Law.,
Registrar of Joint Stock Companies in Mysore

To

C. S. Balasundaram Iyer, Esq., P.A.,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore.

Through

The Inspector General of Police in Mysore.

S i r ,

With reference to correspondence ending with your D, O. No.G.7652 (2) Pol.57-19-21 dated 26-9-1919 regarding the affairs of the Mysore Government Security Marriage and Life Assurance Co., Ltd., I have the honour to state that Mr. H. K. Sapath Iyengar who was appointed as an Inspector under section 138 of the Mysore Companies Regulation reported himself for duty in this office on the 10th of November 1919 and he was instructed to proceed at once to Mysore to investigate into the affairs of the above Company. I submit herewith for the information of Government, copy of the Inspectors' report on the investigation made into the affairs of the Company by him. This does not disclose a satisfactory state of things in the management of the Company. I am afraid there is no provision in the Companies Regulation which enables Government to take at their own -- initiative, any action calculated to put an end to the dealings of such Joint Stock Companies.

I therefore, suggest that under these circumstances, the Government will do well to refer the matter to the Judiciary when the report and proceedings of the Inspec-

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appointed by Government will serve as good evidence of the matter contained therein. The Court on examination may order the winding up of the Company if it is of opinion that it is just and equitable that the Company should be ~~xxxx~~ wound up under clause 6 of section 162 of the Regulation. I beg to be informed as to the nature of further action I should take in the matter.

A copy of the Inspector's Report is required to be sent to the registered office of the ~~Xxxx~~ Company as laid -- down in section 141. The General Secretary of the Company has applied to me for a copy of the Inspector's Report in his letter dated the 20th December 1919 a copy of which is sent herewith for information of Government. I request I may be kindly informed if I may comply with his request.

I have the honour to be,

S i r ,

Your most obedient servant,

Sd/- K. H. Ramayya.

N.P.S. R E G I S T R A R .

"C O P Y"

K H Ramayya

R E G I S T R A R .

Letter dated 18th December 1919 from Mr. M. K. Sapath Iyengar, Inspector on Special Duty, to he Registrar of Joint Stock Companies in Mysore, Bangalore.

I beg to submit herewith my report on the investigation into the affairs of the Mysore Government Security Life and Marriage Assurance Co., Ltd., Mysore. The Company's paid-up capital is very little. The present liabilities extend its assets and the promoter of the Company Mr. M. L. Nagannah is running the business only to benefit himself by way of -- salary and commission. In the interests of the public who are apt to be misled by the company's prospectuses, it is necessary that every attempt is made to wind up the Company.

The Directors have got a resolution passed that certain documents and registers of the Company may be destroyed. In case any serious action is considered necessary on the points noted in the report, the Directors should be addressed not to destroy the documents.

"C O P Y"

K H Ramayya

N.P.S. REGISTRAR.

Report on the investigation into the affairs of the Mysore Government Security Life and Marriage Assurance Co., Ltd., Mysore.

As directed by Government in G.O.No.11506-8/Pol.57-19-25 dated 20th November 1919 the affairs of the Company were investigated from the date of its incorporation. The financial position of the Company has been very unsatisfactory from the beginning. With very little capital, the Company has been carrying on, insurance, provident and banking business, on principles which were not only vague and financially unsound, but also practically of little utility to the public. Very few of the persons who invested their money in the company's schemes were benifitted. The public have been imposed upon through false balance sheets and reports and high-toned prospectuses. In certain cases, the policyholders have been deprived of the amounts actually due to them and the shareholders have been unjustly made to suffer loss through interested management by the Directors.

I. False balance sheets, reports etc.

(1) In the balance sheets of 1913 and 1914 the subscribed capital is shown as Rs.24,466 and Rs.24,697 respectively. In fact, the number of shares taken up by the public were only 356 and 366 and the paid-up amounts on these shares were only Rs.356 and Rs.587. The Directors have made a bogus allotment of the remaining 9644 shares to an insolvent Company - The"Mutual Property Investment Company Ltd" - which was also floated and managed by the same managing Director and have treated the amount Rs.24,110) due on these shares as a fixed deposit with that Company which had to be later on written off as a bad debt.

(2) In all the balance sheets from 1914 to 1918, house property worth Rs.6079-12-0, 6248-12-0., 6365-14-1 5365-14-1 and Rs.5365-14-1 respectively is being shown among the assets. In reality, there was no house purchased by the

120

Company with Companies money. The Company had absolutely no funds to purchase a house for this large amount. The house appears to have been the property of one of the relations of Mr. M. L. Nagannah, the chief organizer, and the house owner, is treated as a creditor of the Company with his liability secured by ~~mortage~~ mortgage of the house property. By this transaction, not only the public were given a false idea of the companies assets, but also the shareholders were made to suffer a loss of Rs.300/- nearly by way of interest to the house owner, on the amount treated as due to him.

(3) Good Debts. Amounts as shown as good debts in the years 1914, 1916, 1917 and 1918 including those outstanding against agents and Directors are as under:-

1914.	Rs. ~~520~~	5312-1-8
1916.	,,	5820-9-6
1917.	,,	3186-1-3
1918.	,,	2165-6-4

The major portion of these debts (i.e., Rs.3500/- in 1914 and 1916, Rs.2,000 in 1917 and Rs.1,000 in 1918 ~~respectively~~ approximately), was outstanding against poor persons, about whose financial position the Directors of this Company knew very little. These loans were got transferred from the Mysore Government Security Mutual Property Investment Company Ltd., and were due from the shareholders of that Company, in consideration of shares allotted to them. It is contrary to the regulations of the Company's act to allot shares by treating the amounts due on them as book debts. These debts ought to have been shown as bad and doubtful debts or they should have been written off in 1914.

In certain cases, short loans (aggregating to Rs.--1,000/- nearly) have been given to agents and persons unconnect-ed with the Company (numbering about 100). In 1914 they were found to be irrecoverable, and they were written off only in 1917 and 1918.

(4) The words"balance at disposal" in all the

121

the balance sheets are meaningless and intended to produce a bad impression on the public and the shareholders that the Company is making a profit and has got a balance at credit of the profit and loss account for distribution as ~~dividend~~ dividend.

Dividends have been declared in three years as follows:-

	Total dividend declared.
In 1915	Rs.22-12-0
In 1916	,, 76-0-0
In 1918	,,333-1-8

In none of the years the Company has earned a profit and the dividends are really declared out of capital. In all the years, these were accumulated losses of capital, ~~In all the years~~ as follows:- which had to be written off.

In 1915	...	Rs. 3744-15--2
In 1916	...	,, 607--3--4 * This loss must really be greater Vide para II infra
In 1918.	...	,, 7376--7--0

(5) In every prospectus issued by the Company, and in all the Memorandum and Articles of Association, it has been held out that a portion of the Company's receipts under the different schemes will be invested in Government securities and buildings and the balance used for management expenses. The Directors have not only failed to limit the management expenses to the prescribed amount (25% of the income as per memorandum of the Company) but also do not appear to have taken any steps to find a safe investment for the available funds. During the five years from 1913, the bad debts alone amount to Rs.39,479-1-9, more than one-third of the total income of the Company.

(6) The reports of the Directors in the balance sheets as regards paid-up capital, investment of funds, amount of business etc., are false and misleading.

II. Deception of provident fund and policy holders.

The Company was originally managing a provident

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fund Department. According to the Memorandum and Articles of Asscciation of the Company, and its ~~xxxx~~ prospectuses and policies issued to the policyholders, 25% of the premia should be utilised for management expenses and the balance of 75% should be reserved for payment of bonuses. This department ~~xxx xxxxx~~ was closed on 28th July 1916 and in settling the ~~xxx~~ claims of the existing policy holders on that date, the amount available for distribution, has been falsely shown to be Rs. 3892/- less than what it really ought to have been, by charging to policy holders expenses which ought to have been met by the shareholders.

(ii) ~~xxxx~~ Although more than three years have elapsed ~~xx~~ since this Department was closed, the majority of the policy holders are not yet paid the amounts settled by the Company as due to them. They are falsely informed that the amount is locked up in assets in which the Directors had no power to invest. A portion of these assets has also been since realised and the Directors have used the amount for other purposes of the Company, instead of remitting it to the Policy holders. The Company is already insolvent (vide para VI infra) and the policyholders may shortly find that the amounts due to ~~hxm~~ them are irrecoverable.

III Deception of shareholders.

Some of the Directors of this Company were also Directors of the "Mutual Property Investment Co., Ltd.," The following transactions which the Directors have made are not bona-fide in the interests of this Company.

(1) The Directors were transfering cash to the "Mutual Property Investment Co., Ltd" whenever it required for expenses (mostly for payment of commission to the Managing Director of that Company) and in discharge of a sum of Rs. 3575-13-4, found due on this account the Directors have taken over some promissory notes executed in favour of that Company of the nature explained in para I.3 Supra. The major portion of this amount (Rs.2739-10-1 nearly) was really a bad debt

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and had to be written off in later years.

(2) On 20th May 1916, the Directors have amalgamated the "Mutual Property Investment Co., Ltd., with this Company. The Directors have taken over book debts for Rs.1500/- nearly, knowing them to be bad and irrecoverable.

(3) On 26th June 1916, Mr. M. L. Nagannah, the present Chief Organizer has been permitted to withdraw a sum of Rs.325/- being the amount paid on his shares in the Company and adjust the same towards a loan of Rs.250/- due from him to the Company.

(IV) Vague clauses of the kind quoted below are introduced in the prospectuses and Memorandum and Articles of Association and a constrained interpretation is put on them:-

"If the number of the qualified policy holders be a fraction of 1000 in any calendar year under any of the schemes the first bonus for that thousands shall be ignored and so many second bonuses under the life scheme and so many two -- second bonuses under the marriage and Upanayana schemes as many hundreds of surviving and unmarried or not upanayanamed policy holders will be respectively, shall be paid considering part of 100 to be 100". When the poor policy holders find that ~~that~~ under such clauses they have been misled as regards the benefit of their policies, they stop payment of further premiums and their policies are forfeited by the Company.

V. Letter irregularities. The Company has no power to carry on its present business which is mainly of a banking nature or the electrical business which it has resolved to start in its proceedings of 31st December 1918. The Company is passing resolutions affecting the interest of its constituents without their consent. Sufficient notices describing the nature of the resolutions to be moved at Extra-ordinary general meetings are not given to the shareholders.

VI. The Financial position of the Company as shown in its latest balance sheet i.e., on 31st December 1918.

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The following are the assets shown in the balance sheet:-

(1) Building.	Rs.	5365-14--1
(2) Debts.	,,	4020-14--4
(3) Government Pro-notes.	,,	2567-13--4
(4) Furniture.	,,	827--0--0
(5) Cash on hand and with Bankers.	,,	2321--9--1
(6) Stamped bonds.	,,	7--8--0
Total	Rs.	15,110-10-10

Of these assets, more than Rs.1,000/- is bad and doubtful debt and Rs.833/- has to be written off for depreciation on Government securities. The net assets will thus amount to Rs.13277/- nearly. The liabilities as shown in the balance sheet, excluding the paid-up share capital amount to Rs.--15359-1-10 i.e., Rs.2082/- more than the realisable assets. The Company's position is insolvent and any creditor of the Company or shareholder can apply to the Court for compulsory winding-up.

Bangalore.
18th Dec. 1918.

Sd/- M. K. Sampath Iyengar.
Inspector on Special duty.

"C O P Y"

K H Ramayya

R E G I S T R A R .

125.

Copy of letter No.1153/2786 dated 20th December 1919 from the General Secretary, Mysore Government Security Life and Marriage Assurance Company Limited, Mysore to the Registrar of Joint Stock Companies in Mysore, Bangalore.

We have to inform you that the Inspector you had sent for inspection of the accounts of the Company returned to Bangalore on 13th instant and so, request you to kindly send us a copy of his report as we are entitled to the same, so that we may submit our explanation if need be to you before you communicate your remarks on the same to the Government.

Begging to be kindly excused for the trouble and thanking you in anticipation,

---

"C O P Y"

K H Ramayya

N.P.S. REGISTRAR.

126 15077

No:61 Gen

Office of the Director of Industries and Commerce in Mysore,
Bangalore, Dated the12th February 1920.

From

V. RANGASAWMY IYENGAR, ESQ., B.C.E.,

Director of Industries & Commerce,

Bangalore.

To

The Chief Secretary to the Government of

His Highness the Maharaja of Mysore,

Bangalore.

Sir,

Adverting to Government Order No:15793-6 Pol.57-19-26 dated 12th January 1920 sanctioning the appointment of one Mr. M. R. Sampath Iyengar, Commercial Probationer on Rs 100/- as an Inspector under Mysore Companies Regulation and ordering that his pay and deputation allowance of Rs 20/- may be met out of the sanctioned grant of this Department, I have the honour to report that there is no Commercial Probationer by the name of Mr. Sampath Iyengar attached to this Department. As any anticipated savings in the Budget are required to be appropriated for, other items which have been since sanctioned by Government, there will be no funds to meet his pay from the grant of this Department.

I have the honour to be,

Sir,

Your most obedient servant,

V Rangasawmy Iyengar

DIRECTOR.

B.V.

Policee 59-19-29 (17 18623

IN YOUR COMMUNICATION, PLEASE QUOTE THE REFERENCE OF THIS LETTER.

MYSORE GOVERNMENT SECURITY

Tel. Address: "PIONEER" Mysore.

D 7066

LIFE AND MARRIAGE ASSURANCE COMPANY, LIMITED, MYSORE.

Dept. CAPITAL. Head Office:—MYSORE. Life & Marriage Assurance Buildings,

Dated, 28th March 1920.

To 26299

No. 1179 Ch Secy. The Chief Secretary to

30 MAR 1920 the Government of His Highness

the Mah raja of Mysore, Bangalore.

Dear Sir,

In inviting your kind attention to the letter No.779 dated 20th Janu[illegible] 1920 of the Registrar of Joint Stock Companies in Mysore, Bangalore, as regard[illegible] the furnishing of a copy of the Inspector's report to the Company in compli[illegible]e with section No. 145 of the Mysore Companies Regulation, we regret to bring to your kind notice that no copy has been yet received in this Office unto date.

We beg to request therefore that you will be pleased to order a copy thereof furnished to us at your earliest convenience so that we may submit our explanations if need be on perusing the same. Any how, we solicit an early compliance and thank you in anticipation.

We have the honour to be,
Sir,
Your most obedient servants,

[illegible]

Hon: General Secretary.

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to 15077

GENERAL AND REVENUE SECRETARIAT,
(Police)
, *the* 191

Date of issue 28/4/20

Signed by Mr P. M. Appa

[Typist:—Please prepare a copy of flag-27

Section Police
File No. 57-17
Serial No. 30

No. G 24518/ Enc one Encl

To
The ~~Dist. Magte~~ Dy Com^r
Mysore Dist.

Sir,

I am forwarding herewith a copy of the special Inspector's report regarding the affairs of the Mysore Good Security Marriage and Life Assurance Co., Ltd, Mysore. I am directed to state that it would be desirable therefore that an

over.

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offence under Sec 282 of
Regn seems to
the Company's Act have
been committed and that
as such a good case for
further investigation has
been made out. I am
to request you therefore
to direct the local police
to take the case up further
and investigate it once
more with particular
reference to the Section mention
referred to above. The I.G.
of Police has been requested
to depute a Special officer,
for the purpose.
I have &c

List of enclosure

Dy
2/1/14

For Chief Secy

LBR
21/4
MM
21/4

Copied by

Examined by

WD 86—GPB—60,000—15-11-16

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to 15077

Section Police
File No. 57-19
Serial No. 31

GENERAL AND REVENUE SECRETARIAT,
(Police
, *the* 191 .

No. G 24589/
Encl one

Date of issue 29/4/20

To

The D. G. of Police
in Mysore

Signed by Mr P. N. Iyya

Sir,

With reference to your letter No. RDC 1510 of 22nd January 1920 regarding the affairs of the Mysore Govt Security Mutuage & Life Assurance Co., Ltd., Mysore, I am directed to request you to be so good as to depute a special Officer for investigating the case over.

forward herewith a copy of letter no G 24518 dy 28.4.1920. addressed to the D.C. Mysore, regarding the subject

I have,
Sir,
Your most obedient servant,
For the Secy

Apl 29/4

131

Special
Police officer for the
purpose of investigating
further into the affairs of
the said Company, as
an offence under Sec. 282
of the Company's Act
is reported to have been
committed according
to the Special Inspector's
report.

2. The ~~Dist Magte~~ Dy Comr
Mysore Dist has also
been addressed on the
subject. A copy of the Communication sent to him is enclosed

I have &c

List of enclosure

for Chief Secy

SBR
21/4
ABR
21/4

Copied by

Examined by

WD 86—GPB—60,000—15-11-16

1927 132

GOVERNMENT OF MYSORE

IN REPLY PLEASE REFER TO No. 43 ENCL.

Office of the Registrar of Joint Stock Companies in Mysore.

Bangalore, Dated 19th April *19* 20

Police 57-19-32

From

K. H. RAMAYYA, Esquire, B.A., Bar-at-Law,

Registrar of Joint Stock Companies in Mysore.

28539

To

C. S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore.

Sir,

III SECTION BRANCH. 22 APR 1920

I have the honour to invite kind reference to this office D.O. letter No.780 dated 20th January 1920 forwarding a copy of my letter addressed to you through the Inspector General of Police in Mysore regarding the Mysore Government Security ~~Insurance and~~ Life and Marriage Assurance Company Ltd., and to request to be kindly informed as to the nature of the further action that has to be taken in the matter.

I beg to bring to your kind notice that the General Secretary of the Company has again addressed me in the matter of supplying him with a copy of the Inspector's report.

I have the honour to be,

Sir,

Your most obedient servant,

K H Ramayya

REGISTRAR.

H.R.

N.P.S.

G. R. S. VI—G/32

1915

133

SUBJECT.....

.....

.....

Diary No. of letter replied to 1977

GENERAL AND REVENUE SECRETARIAT,
(Police)
, *the* 191

Date of issue 22/5/20

Signed by [illegible]

Section Police
File No. 57-1
Serial No. 33

No. G 26325

To

The Registrar
of J. S. Companies
in Mysore

Sir,

With reference to your letter No. 43 of 19/20 th April 1920, I am directed to invite Kind attention to Sec 141 (1) of the Mysore Companies Regulation and to state that the request of the

over.

194

General Secy of the
Company may be
complied with in accordance
~~Herewith the~~ se with the said provision

I have &c

D.M.
16/5

~~for~~ Chief Secy

~~L&R~~
30/4

Memo No. 926326 d 21/5/20

Copy forwarded to the
Genl Secy, Life & Marriage
Assurance Co., Ltd, Mysore,
with refee to his letter
No 1179 d/ 28.3.1920.

By order

List of enclosure

Copied by

~~for~~ Chief Secy ~~Examined by~~

~~L&R~~
30/4

WD 86—GPB—60,000—15-11-16

-8V/b 135

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....1977

GENERAL AND REVENUE SECRETARIAT,
(Police)
, *the* 191 .

Date of issue.....30th June 1920

Signed by.....Mr C. S. B. Iyer

Section Police
File No. 57-19
Serial No. 34

No. Pol 1418.

To The D. A. Resident in Mysore

Sir,

In continuation of this office Cellar No. Pol 239 d/ 25th August 1919 regarding the affairs of the Mysore Govt Security Life and Marriage Assurance Co., Ltd., Mysore, I am desired to state that an examination thereof by the

over.

136

Inspector specially appointed
for the purpose having shown
discovered that that
the management and
affairs of the said Co.,
were very unsatisfactory, and that an offence
a Police investigation was under Sec 282 of the
considered expedient. Nyasa Companies Ordinance
committed, the Local
Police have been
asked to take up the
further investigations
of the case.

2. A further communi-
cation will be made
in due course as to the
result of the investiga-
tion now in hand.

I have &c

P M
26/6

For Chief Secy

LBB
11/6/26

List of enclosure

Copied by

Examined by

WD 86—GPB—60,000—15-11-16

Rec No. 1795-YT
9-15-20

137

Office of the Deputy Commissioner,
Mysore District.
Dated, Mysore, 14th October 1920.

8651

From

P.F. Bowring, Esquire,
Deputy Commissioner,
Mysore District.

Pol
57-19
Coll No — 35A

To

C.S. Balasundaram Iyer, Esquire, B.A.,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore,
Bangalore.

Sir,

With reference to your letter No. G. 1038/Police, dated 16-7-20, re the investigation of the affairs of the Mysore Government Security Life and Marriage Insurance Co.,Ltd., I have the honor to enclose herein for information copy of a report dated the 29th September 1920, received from the C.I.D. Inspector, mentioning the progress made by him in the investigation of the case.

I have the honor to be,
Sir,
Your most obedient servant,

Deputy Commissioner,
Mysore District.

A.N.

From

The Deputy Commissioner,

Mysore District.

To

The Chief Secretary to the
Government of Mysore,
Bangalore.

Dated 14th October 1920.

Despatched 15-10-20

Received 12477

General No. Roc 1795/F 19-20

No.

Enclosure No. I Ch Secy

Re the investigation of the affairs of the Mysore Government Security Life and Marriage Insurance Co.,Ltd.,

To be subs by the member

Poc 16/10/20 4.-20

D. 18/10

m'BS 18/10

18/10

OFFICE OF THE ... 17 OCT 1920

SUBMITTED.

In connection with the affairs of the "Mysore Government Security Life and Marriage Assurance Co., Ltd., Mysore" of which Mr. M:L. Naganna, is the Chief Organizer and about which investigation is being made by me under Section 282 of the Mysore Companies Regulation of 1917, I beg to report that as the above Regulation came into force from 1st July 1918 and the penal provision referred to in Section 282 is not found in the previous regulation. I confined my investigation to matters relating to the Balance Sheet of 1918. All the items of liabilities and Assets, and income and expenditure shown in the said balance sheet have been carefully scrutinised with the cash book, ledgers and other registers maintained by the Company. I then enquired some of the share-holders and others of Mysore who are debtors to the Company with a view to find out the correctness of the figures shown in the company's registers and also how far such debts are good or bad. I learnt that there is a dispute between the company and one Mr. Cheluviengar, Pleader of Shimoga regarding some Government of India 3½ per cent pronotes to the face value of Rs.2500 mortgaged to him for Rs.1400 by the company. I went to Shimoga and was informed by him that two pronotes ~~xerexagedxixexhimxfexxRsx1400xbyxthe xompanyx~~ of Rs.500/- each out of four pronotes mortgaged by the company were endorsed by the company in his favour, that they were sold through Bank of Mysore for about Rs.700/- about the middle of July 1918 and that intimation of the sale and adjustment of the amount towards his dues were also given by him to the Company. Some letters written to him by the Company to effect the sale of the endorsed pronotes were also produced by the Pleader and they were duly secured. He has not kept a copy of the letter intimating the sale nor could he remember the exact month. If the sale had been effected before 31st December 1918, the date of the Balance Sheet under investigation and intimation thereof had also been given to the company, the figures shown under assets against this item, can be easily established to be willfully false. I therefore returned to

13

to Mysore and looked into the correspondence file of 1918 kept in the company's office. There is no trace of the intimation letter. No from register also is maintained in the office. I shall therefore ascertain from the Bank of Mysore the date of sale of the pronotes and if any intimation thereof has been given to the company by the Bank. I am further informed that when an endorsement is made on a pronote authorising payment of the amount to the endorsee, the endorsee's lien on it ceases. If this is a fact, the company has no lien on the two pronotes of 500 Rupees each and the mention of them under assets is false.

I have to investigate the case very calmly and quietly without giving any clue to the accused who is spoken of as an adept in the manipulation of figures and until I collect facts to satisfactorily establish a case under Section 282 of the Companies Regulation, I am sorry it may not be possible to submit progress reports in the case. I have examined many shareholders and others connected with the company and I think no purpose will be served by reporting what they all had stated till something useful comes out. So I request you to kindly bring the above facts to the information of Government who, I hear, are sending reminders calling for progress in the case.

Mysore,
29th September 1920.

Sd/- G. Sundararajiengar,
C.I.D. Inspector.

"Copy"

For Deputy Commissioner,
Mysore District.

Police 57-19-35 TS 15

5429

5429

From

The Honorary Organizer,
Life & Marriage Assurance
Company Limited,
In MYSORE.
Camp BANGALORE.

To

A. R. Banerji Esq.,M.A.,I.C.S.,C.I.E.,
First Member of Council
To His Highness The
Maharaja of Mysore,
BANGALORE.

Dated 5th January 1921.

Most Respected Sir,

Your nobleself may be aware of that the report of the Inspector appointed by the Government of Mysore to investigate the affairs of the above Company ever since it was started upto the end of 1919, the Govern-ment were pleased to ask the Deputy --- Commissioner of the Mysore District to cause necessary investigation made through the -- Police at Mysore with the help of the C.I.D. Officer sent by the I.G.P.Police, as the -- Government suspected for a charge of false Balance Sheet against the Company under Section No.282 of the Mysore Companies Regulation No.8 of 1917. In this connection we beg to bring to your kind notice that not only the C.I.D.Officer appointed for the purpose was duly given all the required informations and explanations to his entire satisfaction but also we submitted a detailedd written explanation on 13-9-1920 to the Registrar of Joint Stock Companies in Mysore, Bangalore, proving that each and every allegation made in the Inspector's report was absolutely false and misleading,and also requesting the Registrar to appoint a time so that he may be approached with all the necessary records to verify our statements and he may submit his remarks to the Goverment to meet the ends of justice.

2. While the circumstances being like this, to our great disappointment and surprise instead of receiving any response from the Registrar to our above request, we are given to understand that the Police of Mysore are preparing a Charge-Sheet under the said section No.282 of the Mysore Companies Regulation with the charge that we have given false report in the Balance Sheet for the year 1918.

Chief Sec 6/1

Ans reply?

WY 7/1/21

Early 8/1

This may perhaps be transferred to Bo III where the file is being worked up.
Subd for orders —
12/1/21

P.S. The file re the change of name of the Co is being worked up in this section & certain information has been called for from the Reg as proposed by the Govt Advocate. This is perhaps not required in this connection.
Subd for orders —
12/1/21

7/1 Protection Br) for 18/1

8/1/21

We also hear from a reliable source that the Police knowing that allegations made in the Auditor's Report are unfounded, are trying to bring in another charge(which equally false and unfounded)without giving us any opportunity to give them our explanation with an intention to make the Company collapse owing to its organizers being harassed in this way. In this connection, we beg to assure your nobleself that we are in a position to give satisfactory explanation and prove our innocense before both God and man as our conscience says that we have done nothing contrary to the same at any time for any purpose

3. If your nobleself will kindly peruse the enclosed Advertisement leaflet of the above Company, you will see that the schemes detailed therein are devised with the main object of not only establishing a religious institution with a substantial fund for its maintance at Mysore in order to promote the objects of Hindu religion and help poor and the suffering, but also to enable the public at large more particularly the Mysore State to derive the benifits both in the material and spiritual worlds. In this connection it is necessary to bring to your kind notice that schemes are based on the soundest possible principles with arithmetical calculation but not on any speculation whatsoever.

4. Moreover your goodself may be aware of that lakhs of Rupees are being exported from the Mysore State in form of insurance premia to fill in the coffers of the Companies outside the State. Such being the case, Life Insurance business forms the important portion of the working of the above Company and puts to a stop of the above said export of money while utilising the same to be invested in the Mysore Government Securities as well as allow security of immoveable properties in the Mysore State itself for the benefit of the Mysoreans. No doubt, there will be a question whether the public have been benifitted and why the Company is not in a prosperous state in which it ought to be, in spite of its attractive features.

5. In reply I beg to bring to your kind notice in the first place that about Rs.12,000 Marriage Bonus has been given by this Company during the years 1914 and 1915 alone especially to hundreds of Policy holders in the Mysore Province who had lost their moneys in the Amritsar Company. In the second place it is a matter for congratulation that the Company is in existanc in spite of series of misfortunes of the undersigned(which began soon after i.e. four months after the Company was started as per detailed account to be given in person with the records) as any of them would have been enough to bring the concern to a close. So your nobleself can imagine the feelings of the undersigned when he is being harassed in so many ways without rhyme or reason owing to the scandal of his adverseries more particularly when he is serving honourarily with an intention to get the public both material and spiritual benefits..

6. Under the above circumstances we beg to urge most humbly and respectfully that we as the loyal subjects of His Highness The Maharaja of Mysore may be kindly granted the previlege of being furnished with the necessary documents in order to prove the charges of the Police to be false, while asking the Police at Mysore to differ the filing of the charge-sheet till your nobleself will be convinced of our innocence or otherwise, as we are sure that the Government are to guard the innocent from being harassed unreasonably and will do justice and justice alone. In case any Charge-sheet is allowed to be filed while denying our previllege of being heard, not only we will be put to unnecessary redicule and disgrace in the eyes of the public but also the business of our Company will suffer to a great extent as beforefor the consequences of which none else other than the Government will have to be held responsible.

Begging

142

Begging to be kindly excused for the trouble and thanking you in anticipation,

I beg to remain,

Most respected Sir,

Your most obedient servant,

M. D. Papannah

Honorary Organizer.

143

A WORTHY PURPOSE

HAVE YOU NOT HEARD OF THE MOST WONDERFUL SCHEME

CALLED THREE-IN-ONE (SHARE POLICY INVESTMENT) SCHEME

BROUGHT FORWARD FOR THE FIRST TIME IN INDIA BY THE

MYSORE GOVERNMENT SECURITY LIFE & MARRIAGE ASSURANCE Co. LD.

FOR THE BENEFIT OF THE INDIANS ?

If not, enquire for necessary information and avail of the undermentioned

EXTRAORDINARY BENEFITS HITHERTO UNKNOWN TO THE INSURANCE AND BANKING WORLDS

What all you have to do is to appiy for ten shares of the Company and pay only Rs. 10 (Rs 5 towards share amount and Rs. 5 towards premium) with the application and Rs. 5 on allotment. After this, you can pay the balance Rs. 90 by nine quarterly instalments in course of two years and three months, *i e*, at Rs. 10 in every 3 months or ask us to show you **the way how you can get the same adjusted without touching your pocket under our novel freepolicy system.**

THE EXTRAORDINARY BENEFITS ARE.

1. **SAFEST INVESTMENT.** The Capital of the Company is Rs. 5,00,000 divided into 50,000 shares of Rs. 10 each. Out of Rs. 5,00,000 to be paid on 50,000 shares at Rs. 10 (excluding premium) per share by the share-holders to **the Company's Bankers the Allahabad Bank Ltd., Bombay,** the said bank **is authorised to purchase Government of India 3 per cent. Securities** in the name of the Company **to the face value of Rupees Two Lakhs** and lodge the same **itself** direct with **the Comptroller General to the Government of India** as per Insurance Act 1912. **Rupees three lakhs** out of the above will be invested in the Property Investment Department of the Company at 6¾ per cent interest per annum to be utilized in advancing loans **only on security of immovable Properties** in India. **Rupees one lakh and odd** being the amount of discount to be gained by the Company in purchasing the above said Government securities (as Government of India 3 per cent. securities are selling at 50 and odd per cent. discount now-a-days), will be utilized in constructing **a Building** in a suitable place at Mysore. The share-holders who will take up shares and also complete the payment of all calls on the same before two lakhs of rupees share amount is paid up, will have **preferential lien** on the assets of the Company and are charged only As. 8 premium per share while those who take up shares afterwards will be charged at Re. 1 premium per share.

2. **PROFITS.** Out of enormous profits to be earned in all the Departments of the Company, *viz.*, Life Insurance with medical examination, Property Investment and Personal Investment, **dividends** will be distributed among share-holders **every year for generations.** When the Companies which do Life Insurance Business alone, are declaring dividends **up-to 30 per cent per annum,** the would be share-holders themselves will consider the rate of dividend they may expect from the business of this Company when it has got most profitable businesses like those of Property Investment and Personal Investment also, the details of which are given on the reverse.

3. **INSURANCE BONUS.** Those share-holders who hold 10 or more shares in their individual names will be entitled **to an Insurance Policy for Rs. 500 free of premium and without any medical examination** from the Life Insurance Department of the Company and as such, the heirs of the share-holders will on their (share-holders') deaths be entitled to **a bonus of Rs. 500 each** out of Rs. 20,000 interest to be got from the Property Investment Department of the Company every year on three lakhs of rupees to be invested therein as mentioned in the foregoing para 1.

4. **LOANS.** Those share-holders that hold ten shares and more than ten shares will be entitled **to a free Deposit Bond** of Rs. 25 and Rs. 50 each respectively from the Personal Investment Department of the Company only on payment of admission, stamp and annual fees (as the **Free**-Deposit Bond amount Rs. 25 or 50 as the case may be, will be treated as an advance at 6 per cent. interest per annum against the share-holders and adjusted out of dividend amounts entitled to by them every year as per Article No. 8 of the Articles of Association of the Company and as such, they will be entitled to a loan of **from Rs 500 to Rs 4,000 and Rs. 1,000 to Rs. 8,000** respectively **free of interest and without any security** as determined in the drawings that take place every year as detailed on the reverse. The share-holders will also be entitled to loans on security of their immovable properties out of the funds of the Property Investment Department by which they can save the principal amount itself by paying mere intterest as detailed on the reverse.

5. **CHARITY.** As only a small portion of the Company's Building to be constructed as mentioned in para one above will do for the Head Office, the major portion of the same will be utilised **for Theological College** and **Rs. 6,000** being interest to be accrued on the above two lakhs of rupees Government Securities will be utilized for *(training up preachers of Hindu Religion, nursing the suffering, feeding the poor, etc.,)* charitable purposes **under the guidance of Sri Ramakrishna Paramahamsa Mission** as per Article No. 9. Provision is also made as per Article No. 9 for constructing more buildings as well as for expenses for the above-said charities in other places also

6. **MANAGEMENT & SHARE-HOLDERS' PRIVILEGES.** All the Directors including the Honorary Organizer and all the officials at the Head Office are working honorarily and the accounts of the Company are audited by one of the auditors appointed by the Government of Mysore. Those share-holders who hold 50, 25, and 15 shares in their individual names will be eligible to be elected as Directors on the General, Provincial and Local Boards of the Company respectively whenever vacancy occurs. The share-holders in each Presidency or Province can select Provincial Directors among them to supervise their respective Presidency or Provincial Branch or Chief Agency Offices and also to attend all the General (whether Ordinary or Extraordinary) Meetings of the Company on their behalf at the cost of the Company.

N.B. This notice is not intended as an invitation to subscribe for shares. Applications for shares will be considered upon the terms mentioned in the form accompanying this as well as in the Articles of Association of the Company which can be either seen freely at or obtained from the Head Office on remitting Re. 1 only by Money Order as no V.P. Book-post system will be accepted.

READ

Property Investment Department.

Investment certificates will be issued from the above Department for any amounts which may be multiples of Rs. 100 up to Rs. 5,000 and entitle the holders to have loans on security of their immovable properties after ten months from the date of the certificate on their paying Rs. 10 per month per Rs. 1,000 until they receive advances.

1. **PROVISION FOR FUNDS** After security Deposit is furnished to Government of India, three lakhs of rupees out of the paid up capital as well as 50% of the Life Insurance Department funds and 75% of the Personal Investment Department Funds of the Company will be invested in this Department for advancing loans.

2. **ADVANCES.** Loans will be granted according to the rotation on security of immovable properties worth at least 1½ times the amount to be advanced only on the responsibility of the Local Directors after the Security offered is carefully inspected and valued by them and the title deeds thereof are examined by the legal adviser of the Company. The funds collected in one Province will be deposited in a reliable bank in the said Province and will be utilized in advancing loans on immovable properties in that Province alone.

3. **REPAYMENT.** The Certificate holders on receipt of the loan will be required to pay only Rs 10 per Rs. 1,000 (*i.e.*, 12% interest per annum) for a period of 16 years and 8 months minus as many months as many instalments they will have paid to the Company previous to their receiving advances, **when their principal amount will be considered as discharged and written off from the account.**

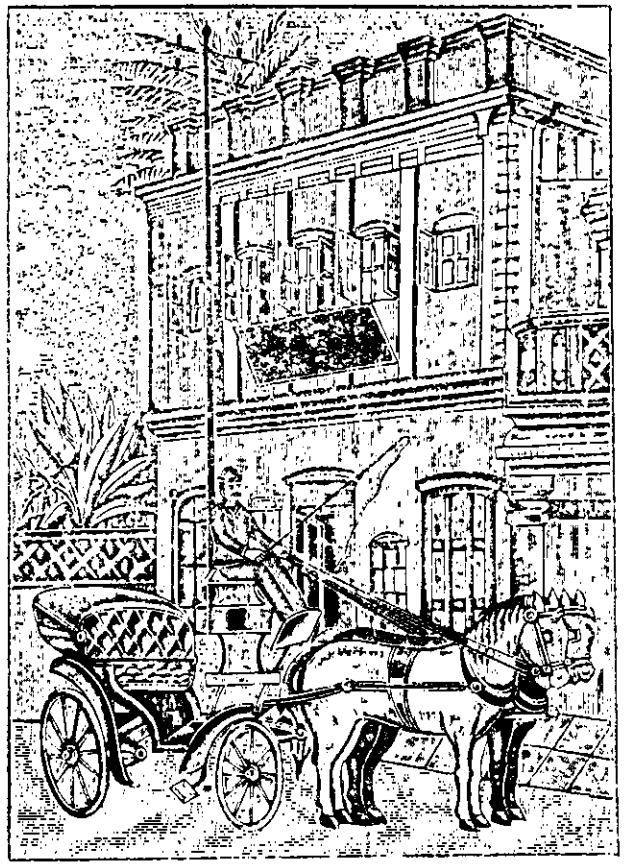
4. **BENEFITS.** Not only there will be a profit of the principal amount itself to the certificate holders but also the Company will be benefitted to a great extent in as much as it does not pay any interest on the instalments it receives before granting loans but advances the same in lumpsum to the certificate holders for interest while gaining rebate of interest as out of whatever is collected from those who will have received advances, half the amount will be adjusted towards principal and the other half towards interest.

SREENIVASA PRESS MYSORE 1920

REFLECT

MYSORE GOVERNMENT SECURITY
LIFE AND MARRIAGE ASSURANCE Co. Ltd.

Incorporated under the Mysore Companies Regulation



HEAD OFFICE: MYSORE (S. INDIA.)

GENERAL BOARD OF DIRECTORS.

1. **Dr. A. J. Ram**, *L.M. & S.M.D., (E.H.)*
Asst. Surgeon, MYSORE.
2. **Mr. H. Venkatakrishnappa,**
Retired Govt. Cashier, MYSORE.
3. **Mr. K. Sreenivasa Iyengar**, *Pleader*,
SERINGAPATAM.
4. **Mr. M. S. Channabasappa;**
Managing Proprietor,
of Messrs M. S Siddappa & Bros. MYSORE.

Managing Director & Hon. Organiser
MR. M. L. NAGANNAH.

& ACT.

Personal Investment Department.

Any number of series of one lakh bonds will be issued from the above Department in each of the 1st and 2nd classes in favour of those who are desirous of depositing Rs.50 and Rs.25 (either in lump sum or by 25 monthly instalments) respectively in the Company free of interest for 25 years and entitle the holders to have loans without interest and security.

1. **SAFEST INVESTMENT.** Out of the amount collected from the bond holders, 25% will be invested **in the guaranteed Government Securities** and 75% in the Property Invest: Department of the Company at 6% interest per annum.

2. **LOANS.** The Bondholders under 1st and 2nd classes will be entitled to loans of **Rs. 500 to Rs. 4,000 and from Rs. 1,000 to** Rs. 8,000 respectively **on their own personal securities free of interest** (repayable in 25 years by quarterly instalments of Rs. 10 per Rs. 1000) as determined in the drawings to be held every year.

EXAMPLE. If there are one lakh bondholders under 1st class, each will have paid Rs. 50 amounting to 50 lakhs on which 3 lakhs interest will accrue every year. As 200 bonds will be drawn every year, 1st, & 2nd drawn bond holders get Rs 8,000, and Rs. 4,000 respectively while the remaining 198 drawn bondholders will get Rs. 1,000 each as loans amounting in all to Rs.2,10,000 **This example holds good** in case of 2nd class also proportionately. The bonds once drawn **will not be drawn again and the number of bonds to be drawn will be proportionately less if the number of bondholders** be less than a lakh.

PROFITS. The loan amounts to be repaid will be distributed as profits amounting to nearly 4 p.c. per annum in place of interest among bondholders every year, while the surplus interest (Rs. 3,00,000 minus Rs. 2,10,000 mentioned in the example above) Rs.90,000 plus Rs. 10,000 (being incidental expenses to be recovered from the abovesaid 200 drawn bondholders at Rs.50 each) *i.e.* Rs.1,00,000, will be the **net profit to the shareholders of the Company every year.**

4. **WORKING EXPENSES.** The working expenses of this Department will be met out of admission, annual and stamp fees to be recovered from bond-holders.

Pr329-20-6.

From

The Honorary Organizer.
The Mysore Government Security
Life & Marriage Assurance
Co., Ltd., Mysore.

To

The Superintendent of Police
Mysore City
Mysore.

No. 652.

Dated 10th January 1921.

Most Respected Sir,

Your nobleself is aware of that on the report of the Inspector appointed by the Government of Mysore to investigate the affairs of the above Company ever since it was started upto the end of 1919, the Government were pleased to ask the Deputy Commissioner, Mysore District, to cause necessary investigation made through the Police here with the help of the C.I.D. Officer sent by the Inspector General of Police as the Government suspected for a charge of false balance sheet against the Directors of the Company under Section No. 282 of the Mysore Companies Regulation No. VIII of 1917. In this connection, we beg to bring to your kind notice that not only the C.I.D. Officer appointed for the purpose was duly given the asked for informations and explanations to his entire satisfaction and also made to understand that no case could be made out against the Company, but also we submitted a detailed written explanation on 13th September 1920 to the Registrar of Joint Stock Companies in Mysore, Bangalore, proving that each and every alegation made in the Inspector's (auditor's) report was absolutely false and misleading, and also requesting the Registrar to appoint a time so that he may be approached with all the necessary record to verify our statement and he may submit his remarks to the Government to meet the ends of justice and fair-play.

While the circumstances existed like this, we are given to understand to our great disappointment and surprise that the C.I.D. Officer at Bangalore has prepared and sent a charge sheet under the above said Section bringing in some new charges (which are equally false and unfounded and for which our explanation has never been taken knowing that there could be no case if such course is adopted) being illadvised to damage the Company by harassing its organizers in this way. In this connection, we beg to assure your nobleself that we are in a position to give satisfactory explanation for any charge or charges that

that may have been brought in, and prove our innocence before both God and Man as our conscience say that we have done nothing contrary to the [illegible] any -- time for any purpose.

If the enclosed advertisement leaflet of the above Company be kindly perused, your nobleself will see that the schemes detailed therein are devised with the main object of not only establishing a Religious Institution with a substantial fund for its maintenance at Mysore in order to promote the objects of Hindu Religion and help the poor and the suffering, but also to put a stop to the export of lakhs of rupees every year in form of Insurance premia from the Mysore State, by starting Life Insurance Business while utilising the fund collected in Mysore State for being invested in the Mysore Government Security as well as on Security of Immovable properties in the Mysore State itself for the benefit of Mysoreans. It may not be out of place to mention here that the business of the Company is conducted here with philanthrophic object in as much as not only the Directorate contains mostly of Spiritually disposed persons -- but also the undersigned is working without pay as the Directors without any remuneration whatsoever while the whole establishment charges in the Head Office amount to only Rs.25/- per month.

Under the above circumstances, your nobleself will kindly see the necessity of guarding the local concern from being damaged owing to the present ---- harassment as such, we as the Citizens of Mysore and also the Loyal Subjects of His Highness the Maharaja of Mysore beg to urge most humbly and respectfully that your nobleself will please to kindly grant us the privilege of being heard with necessary records in order to prove of our innocence while deferring the filing of the charge sheet till your nobleself is convinced of our innocence or otherwise. In case any charge sheet is allowed to be filed while denying our privilege of being heard, not only we will be put to unnecessary ridicule and disgrace in the eyes of the public but also the business of the Company will suffer to a great extent for the consequences of which none else other than the Government will have to be held responsible.

Soliciting and early compliance and thanking you in anticipation,

We have the honour to be,
Sir,
Your most obedient servants,

(sd) M.L. Nagannah,

Honorary Organizer.

GEN & REV. SEC'T
12 JAN 1921

D 5327

No. 656.

Police 57-9-21

The above copy most respectfully submitted to the Chief Secretary to the Government of His Highness the Maharaja of Mysore, Bangalore, for kind information.

M. L. Nagannah
Honorary Organizer.

This may also be perhaps transferred to Br III
Subt for orders —
17/1/21

IN YOUR COMMUNICATION, PLEASE QUOTE THE REFERENCE OF THIS LETTER.

MYSORE GOVERNMENT SECURITY

Tel. Address:-"PIONEER" Mysore.

Police. 57-19-37

LIFE AND MARRIAGE ASSURANCE COMPANY, LIMITED, MYSORE.

Dept. CAPITAL. Head Office:- MYSORE, Life & Marriage Assurance Buildings,

Dated, 16th January 1937.

To

No. 307

Messrs. P.Kalinga Rau & Sons

Chief Agents

MADRAS.

Dear Sir,

YOUR LETTER DATED 14th INST.

In reply, we have to invite your attention to the copy (of the letter No.663 dated 12th instant addressed to Mr. C.J. Venkataraghaviah, Madras) sent to you as per this Office No.664 dated the same day in which we have clearly stated that the words "MYSORE GOVERNMENT SECURITY" do not mean that the Mysore Government stand guarantee for the Company and as such, we are surprised to see that you have addressed the Government of Mysore in the matter as if we had assured you of the same in any of our letters or literatures previous to others or yours taking up Chief agency or shares. In this connection, we want to inform you that the words "MYSORE GOVERNMENT SECURITY" are meaningless in as much as the word "MYSORE" in the title of the Company denotes the place where the Company is established and the words "GOVERNMENT SECURITY" denote that the Company is bound to invest a fixed percentage of its collections or funds in the Government Securities (Mysore Government Securities in preference as per Articles of Association unlike the Companies which have not got the words "GOVERNMENT SECURITY" in their title and which can invest their funds according to the whims and fancies of their Directors. It is a false idea that some people entertain that the Governments stand guarantee for the Life Insurance Companies and Banks in as much as no Government on earth has stood Security (nor is it possible for any Government to stand as Security for all the liabilities of a Company or Companies in consideration of a few lakhs of rupees being deposited) for any Company or Bank in this world. For instance, the Government of India have never stood as Security either for the Oriental Life Assurance Co., or for the Presidency Banks (i.e., Bank of Madras, Bank of Bombay and Bank of Bengal) although the former has got the words "GOVERNMENT SECURITY" in its title and the latter are not only patronized by the Governmer but also combined with the Government treasuries. Of course, the Government cannot but stand as Security to the extent of the amount to be invested therei

We do admit that the first duty of an honest agent is to see whether the Security of the Company which he wants to represent, is unquestionable and if it is in any way beneficial to his would be clients. In the first place, you cannot but admit that all our schemes are beneficial to both the share holders and the policyholders alike consistant with safety. In the second place, it is not wise and safe to invest funds of the Company either in the Government Securities alone or only on Securities other than that of the Government in as much as the former does not fetch good interest while the latter is not always safe. In our case, not only a fixed percentage of our funds or collections will be invested in the Government Securities as per regulation bu

147

but also the remaining good portion of the collections made in a Presidency or province will be invested only on Security of immovable properties for the benefit of the people in that Presidency or Province alone on direct responsibility of the Local Directors and subject to the approval of the Provincial and General Board of Directors. In this connection, we have to assure you that the intention of the directorate consisting mostly of spiritually disposed persons, is to display the benefit of practical cooperation to be derived by our constituents in both the material and spiritual worlds and as such, none can dream any of them doing anything contrary to his conscience as they (the Directors) are sure of their being benefitted to a great extent by honest means alone.

To give further assurance to both our agents and their wouldbe clients, we have added the following to the revised termsof Chief Agency, which we hope, will meet with your approval and make you work with the same zeal and interest as you had when you took the Chief agency.

> "If either the Chief agent or any of the Provincial Directors of any Presidency or Province holds fifty shares in his name and also furnishes a cash security deposit of Rs.2,000/-, the Chief agency will be considered as a branch and the same as well as the collections made in the said Presidency or Province will be under his direct control as the Managing Director of the said Branch in as much as no money can be withdrawn for any purpose without the countersignature of the said chief agent or the Provincial Director as the case may be. Of course, not only the Security deposit amount will be invested in the Bank concerning the said branch and also carry 6 per cent interest per annum while having preferential lien on the assets of the Company, but also he can attend all the general meetings of the Company at its cost in preference to others."

would

In conclusion, you may rest assured that not only we shall always be happy to solve all the doubts you may come across, to your entire satisfaction but also the suggestions that may be given by you or your co-operators to safeguard the interest of the Company, will be most thankfully received and favourably considered.

Trusting to receive good business before long and wishing you General & Recovery Success,

Yours faithfully,

(sd) M.L. Nagannah,

Honorary Organizer.

17 JAN 1921

No. 708

The above copy communicated with compliments to the Chief Secretary to the Government of His Highness the Maharaja of Mysore, Bangalore, for information, with reference to the letter dated 14th instant of Messrs. P. Kalinga Rau & Sons, 57, Thambu Chetty Street, Madras, addressed to the Government.

M. L. Nagannah

Honorary Organizer.

PROTECTION BRANCH
26 JAN 1921

THE MYSORE GOVERNMENT SECURITY LIFE & MATERNITY INSURANCE CO., LTD.
No. 714
Date 17-1-1921
MYSORE.

REGISTRAR OF JOINT STOCK COMPANIES
RECEIVED
Date 19-1-21
REG. NO 1087
MYSORE

Police 57-19-38

The enclosed copy of the letter No.690 dated 15th January 1921 (addressed to the Superintendent of Police, Mysore City, Mysore,) ~~enclosed~~ forwarded with -- compliments to the Chief Secretary to the Government of His Highness the Maharaja of Mysore, Bangalore, through The Registrar of Joint Stock Companies in Mysore, Bangalore, for information in continuation of this Office No.656 dated 10th inst.

Police 57-19-

Honorary Secretary.

Receives by Regd:
post. no. 207.
19.1.21

No: 1248 Enc: 1

GEN & REV. SECT.
26 JAN 1921

forwarded with Compliments.

25-1-1921

K H Ramayya

Registrar of Joint-Stock Companies in Mysore.

KR

149

From

The Honorary Organizer
The Mysore Government Security
Life and Marriage Assurance
Co., Ltd., Mysore.

To

The Superintendent of Police
Mysore City, Mysore.

No.

Dated 15th January 1921.

Most Respected Sir,

While thanking your goodself --- sincerely for your having kindly given -- the undersigned an opportunity of his being heard (as regards the case against -- the Company pending with the Police) in - compliance with our humble application -- dated 10th instant, we beg to be kindly - permitted to submit a few following words in connection with the said case for your kind and generous consideration to enable your nobleself to do justice and justice alone, although we are sure that you have been quite convinced of our innocense --- with the exhaustive explanation of the -- undersigned in person.

From the investigation report of the C.I.D. Officer, your goodself is ---- aware of that the Police could not make - out any case out of the report of the --- Auditor appointed by the Government and - the only new and big charge the C.I.D. -- Officer has brought in is that the Balance sheet of the Company for the year ending - 31st December 1918 contains a false statement as regards Government Securities in - as much as that it is shown in the balance sheet that the Company holds Government of India Pronotes to the face value of ----- Rs.2,500/- although two pronotes of Rs.500 each out of the said Rs.2,500/- had been - endorsed over to Mr. A. Cheluva Iyengar, Pleader, Shimoga, in the year 1916, and - also the same had been sold through the - Bank of Mysore as per instructions of the Company in the year 1918 alone,

In reply to the above, we beg to bring to your kind notice that the Government of India Pronotes of Rs.2,500/- under reference were purchased by the Company -- through the Bank of Mysore in the year -- 1915 and kept with Mr. A. Cheluva Iyengar, a Pleader at Shimoga as Security (for the amounts advanced by him to the Company -- for granting loans on Security of immovable properties) along with the hypothecation deeds executed in favour of the Company for the amounts thus advanced. As he (Mr. Cheluva Iyengar) demanded for his dues in the year 1916, the Company had to transfer the two Government Pronotes of - Rs.500/- each for Rs.965/4/8 towards the

the part payment of the amount due to him while crediting the said amount to the Government of India and debiting to Mr. Cheluva Iyengar on 6-9-1916 as -- clearly shown in the Company's cash book of the said date. In this connection, your goodself will kindly remember that the Balance sheets of the Company for the years 1916 and 1917 (shown to you in person by the undersigned) did show clearly that the Company had held Government Pronotes of only ------ Rs.1,500/- in the said two years.

Subsequently i.e., on 8th April 1918 when Mr. Cheluva Iyengar was paid Rs.1,786/- in cash through our Advocate at Shimoga and he was asked to strike the final balance due to him as on that date, he (Mr. Cheluva Iyengar) while - acknowledging the above said amount as well as other amounts, struck the -- balance without giving credit the amount of the two Government pronotes of --- Rs.500/- each endorsed over to him stating clearly in his letter of the said - date i.e., 8-4-1918 that he did not give credit the amount of two Government - Pronotes endorsed over to him as the transfers were not completed and as such, he had in his custody Government Pronotes of Rs.2,500/- as well as other Hypothecation deeds and would deliver all of them to the Company or its order on - payment of the amount due to him. In this connection, your goodself will --- kindly remember that the above said letter containing the above contents, was shown to you in original and you will also see that we could not but give credit the amount of the two Government Pronotes to the account of Mr. Cheluva -- Iyengar and debit to the account of the Government of India again on 30-6-1918 in the Company's cash Book as he did not like the pronotes to be kept for himself but they were considered to belong to the Company itself.

From the correspondence subsequently took place between the Company - and Mr. Chaluva Iyengar and also shown to your goodself in person, it is clearly proved that as Mr. Cheluva Iyengar did not allow the Company in spite of its efforts to dispose off all the Government Pronotes of Rs.2,500/- through - the Bank of Mysore owing to the threatened decrease in price of the Government Pronotes, we did write to the Manager of the Bank of Mysore, Bangalore, on --- 21st September 1918 to sell the three Government pronotes of Rs.500/- each --- (i.e., two endorsed and one not endorsed) at least and credit the sale proceeds of the same to Mr. Cheluva Iyengar's account, in response to which the Bank --- informed us in their letter dated 25th idem that the Government Pronotes other than endorsed had been returned to Mr. Cheluva Iyengar and the two pronotes --- endorsed had been sent out for collection of interest, while asking us at the - same time to address further correspondence to the party (Mr. Cheluva Iyengar) direct. So, on 4th November 1918, we did ask Mr. Cheluva Iyengar to get the - two pronotes endorsed in his name sold and intimate the sale proceeds of the -- same to us for necessary adjustment. In reply to the same, Mr. Cheluva Iyengar in his post card dated 13th November 1918 has clearly stated that no money had been then realized. Again we did write a letter on the 18th idem requesting - him to let us know the sale proceeds of the two pronotes under reference and -- waited for his reply till the 31st December 1918 when we did again send him a - reminder with a statement of accounts asking him to let us know the sale proceeds of the pronotes for necessary adjustment.

From the above, it is very clear that we have had no notice of the sale proceeds till the end of December 1918 when the balance sheet for the said year was drawn up. Subsequently, Mr. K. Sreenivasa Iyengar, Pleader, Shimoga, was appointed as the Managing Director of the Company in place of the undersigned - on 28th September 1918 as per resolution of the shareholders. As the balance sheet, ~~as the balance sheet~~ for the year 1918 had not been audited till the , the new Managing Director wanted to ascertain the correctness of the balance - sheet and so, he made a reference to Mr. Cheluva Iyengar on 1st October 1918 - making him understand that the accounts of the Company showed that he (Mr. Cheluva Iyengar) had held with him Government Pronotes of Rs.2,500/- as well as - three hypothecation deeds of Rs.1,350/- and the Company in return owed him --- Rs.1,400/4/-, and also asking him about the correctness of the same. No reply was received from Mr. Cheluva Iyengar either by the Managing Director Mr. Sreenivasa Iyengar or the General Secretary (who was in sole charge of the Company) till the 19th idem when the accounts were audited and the balance sheet was --- certified by the Auditor as the Managing Director, the Secretary and the Auditor could not but be lead to presume that the two pronotes had not been sold till - then. In this connection, it is a point to be kindly kept in view that all the letters addressed to Mr. Cheluva Iyengar have been sent to him either under --- registered cover or certificate of posting as he never used to acknowledge our letters from the beginning for the reasons best known to himself. Of course, the purport of the letters sent to him has been duly written in the "To Register" as usual. Moreover, all the entries both in cash book and "To Register" have

have been made by the General Secretary of the Company who was a retired ---- Taluk Sheristedar and who died in the month of March 1920 alone after a long illness from even January 1920, during which period he was under the treatment in the General Hospital, Mysore.

In the meanwhile, your goodself will remember very well that from the correspondence shown to you, it is clear that only Rs.1,400/4/- was due to -- Mr. Cheluva Iyengar as on 4-8-1918 and no interest could be allowed even for subsequent months (owing to the loss caused by him to the Company in not allowing all the pronotes disposed off) as per our repeated notices to him to the - said effect. So, if you kindly refer to the liabilities ~~xxid~~ side in the --- balance sheet, you will see that the above said amount Rs.1,400/4/- is included in the amount shown under the heading "Loans on mortgage and other Securities". In case Mr. Cheluva Iyengar had kindly intimated the sale proceeds of the two - pronotes (in case they have been actually sold as we do not know about it personally upto now), the Managing Director and the Secretary would have been the first persons to give credit the same to the Government of India while debiting the same to Mr. Cheluva Iyengar. Even granting for argument sake that the --- Secretary had the intimation of the sale proceeds, it is matter to be kindly -- considered if the Secretary or the Managing Director did gain anything by giving this false statement. On the other hand, they tried to show the Liability decreased by adjusting the sale proceeds, but they could not as no reply was ---- received from Mr. Cheluva Iyengar. Of course, it could have been called false statement if they had decreased the amount of liability of Mr. Cheluva Iyengar while retaining the face value of the Government pronotes to be Rs.2,500/- on - the assets side.

Under the above circumstances, your goodself will see how C.I.D. ----- Officer did avoid taking our above explanation with an intention to damage the Company being illadvised by our adversaries who are under false impression that the Company would collapse in case its Directors are harassed in this way. --- Although the business suffers to a good extent by such means, yet the Company - will never collapse as a case against the Directors is no case against the Company which in its meeting can dispense with the services of the present Directors and appoint others in their place. The undersigned is very well aware of that such difficulties would not have arisen if some Rao Bahadurs or Dewan ---- Bahadurs had been enlisted as Directors of the Company. But it is a fact to - be kept in view that we can find very few among such men who will be spiritually disposed and even out of these few, it is difficult to find one who has got any idea of such business as ours. As this letter is already too long, we beg to close the same with a request that your goodself will kindly take all the facts submitted above and issue orders to the Inspector concerned to give "B" sheet - at your earliest convenience. Of course, the undersigned is prepared to ----- approach your goodself at any time and place with the necessary records in case you require any explanation further.

For this act of kindness, we will be ever grateful and thank you in -- anticipation,

We have the honour to be,
Sir,
Your most obedient servants,

M. L. Nagamma

Honorary Organizer.

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to 15899

General and Revenue Secretariat
(Police)
, *the* *191* .

Date of issue 28/1

Signed by W. Price

Section Police
File No. 57—19
Serial No. 39

No. G 1475?

To

The Dist Magte,
Mysore Dist.

Sir,

I am directed to
invite reference to the
Police case said to be
pending against the
Secretary, Mysore Gov
Security Marriage Ass
rance Co., ~~published~~
~~in the Daily Post d~~
~~15th January 1921 a~~

over.

Issue of the Daily Post
dt 24-1-1921 in which
under Proposal new a

47

We request you to be
so good as to forward
a report in the matter
at once.

List of enclosures.

Copied by

Examined by

I request you to be
so good as to forward
a report in the matter
at once.

List of enclosures.

Copied by

Examined by

D2 Dis No. 398/enclo.V 10 & 12. 20-21.

Office of the District Magistrate,
Mysore District.
Dated, Mysore, 8th February 1921.

From

P.F. Bowring, Esquire,
District Magistrate,
Mysore District.

To

B. Ramaswamaiya, Esquire, B.A.,B.L.,
Secretary to the Government of
His Highness the Maharaja of Mysore,
Revenue Department, Bangalore.

17357
1919 20
Police
57-19
Secy-40

Sir,

With reference to your letter No.G.14752/Pol.57-19 dated the 28th January 1921, calling for a report in regard to the case against the Secretary, Mysore Government Security Marriage Assurance Company Ltd., Mysore, I have the honor to state that the Police placed a prosecution report before the City Magistrate, Mysore, on the 21st January 1921, against the Directors and the Auditor of the Company under Section 282 of the Mysore Company's Regulation of 1917. The City Magistrate submitted the report to the District Magistrate on the 2nd instant with the observation that the same may be transferred to the file of another Magistrate for the reason that he was supposed to have taken some shares in the said Company. The prosecution report was thereupon referred to the Court of the Special First Class Magistrate, Mysore, for disposal on the 7th instant.

2. The report received from the Assistant Superintendent of Police, Mysore City, together with its enclosures, in this matter is herein enclosed.

I have the honor to be,
Sir,
Your most obedient servant,

District Magistrate,
Mysore District.

52691

19

From

The District Magistrate,

Mysore District.

To

The Chief Secretary to Govt.,
Revenue Department,
Bangalore.

Dated 8th February 1921

Despatched 10 Feb 1921 REV. SECT.

Received 12 FEB 1921

General No. D2 Dis No. 398/Jan 21
No.

Enclosure No. Quest. V

Reports that the case against the Secretary, Mysore Govt. Security Marriage Assurance Co., Ltd., Mysore, has been transferred from the City Magistrate's Court, to the Court of Special 1st Class Magistrate, Mysore.

for

1921

Roc 1252 / 2/21.

20 1 191

From B. Abdul Gani Esquire
Asst Supdt of Police
Mysore City

To F. H. Bowring Esquire
Deputy Commissioner
Mysore District
Mysore

Dated

Despatched 3.2.21

Received

General No. 994
No.

Enclosure No. 6

40067

Sir,

With Reference to your
No: R.O.C. 1852 dated 31.1.21 for-
warding copy of letter No. G. 1475-
Pol 57-19 dated 28th January 1921
from the Chief Secretary to the
Government of Mysore Re: the
Case against the Secretary Mysore
Government, Marriage Bureau
Company, I have the honor
to State that a memo dated
28.4.20 was received in this
Office from the Chief Secretary
to the Government of Mysore
through the Deputy Commissioner
Mysore District stating that
an offence under Section
282 of the Company's Regu-
lation Seemed to have been
Committed in Connection
with the ~~offences~~ affairs (accounts)

of the Mysore Government Security
Marriage and Life Assurance Company
Limitted Mysore. As it was a non cognizable
Case, a report was made to the City
Magistrate on 10.6.20 and orders were
obtained to investigate the Same.

C. division Inspector Mr: Rego & C.I.D.
Inspector Mr: Soundaraja Iyengar deputed
from the Chief office, investigated the
Case. As it was elicited in the investigation
that an offence was committed by the
Directors and the auditor of the said
Company under Section 282 of the Com-
panies Regulation, a prosecution report
was placed before the City Magistrate
on 31.1.21 and the Same was got trans-
ferred to the district magistrate, Mysore,
the present City Magistrate, being a
Share holder in the Company. A copy
of the C. I. D Inspector's Report, together
with a copy of the Memo of 28.4.20.
from the Chief Secy to Government
is herewith attached for perusal.

Asst Superintendent of Police
& Mysore City

Respectfully Submitted.

In obedience to the order of the Inspector General of Police directing me to investigate an offence under Section 282 of the Companies Regulation against "Mysore Government Security Life and Marriage Assurance Company Limited Mysore" I proceed to Mysore on the 4th June 1920 paid my respects to the Deputy Commissioner, had the case referred by the City Magistrate to the Mysore City Police as the offence is non-Cognizable and began my investigation. As already Reported the Companies Regulation of 1917 came into force from 1st July 18 and as the provision referred to in Section 282 is not incorporated in the previous Mysore Companies Regulation, I confined my investigation pertaining to the Balance Sheet of 1918. All the items of liabilities and assets and income and Expenditure Shown therein have been carefully Scrutinized with the Cash Book, ledgers and other Registers maintained by the Company and also by the Examination of Some of the persons Connected with those transactions.

It was ascertained that 4 Government of India 3½% promotes of the face value of Rs: 2500/- as noted in the third item under assets in the balance Sheet of 1918 were mortgaged along with three hypothecation deeds to Mr: A. Chelu-vierya pleader of Shimoga. On Examination the pleader told me that two G.P. notes of Rs: 500/- each out of the four mentioned above were endorsed in his favour by the Company in June 1918, that he got them sold by the Bank

Bank of Mysore with the permission of the Company before December 1918, and that the sale proceeds were received by him. He further stated that Mr. R. Nagarna as the Chief Organizer of the Company wrote to the Bank of Mysore in letter No: 1262 dated 21.9.1918 Copy of which was sent to him also. Requesting the Bank to sell the two endorsed G.P. Notes and to pay the proceeds and interest to him without any further reference to the Company towards the adjustment of the loan of Rs: 1400/- and odd due to him from the Company. Accordingly these two G.P. Notes were sold on the 6th and 20th December 1918 by the Bank of Mysore and the Sale proceeds Viz 396-2-6 and Rs: 380-10-10 Respectively were credited to Mr. Chelluvaraya's account and intimation thereof was given to Mr. Chelluvaraya by the Bank of Mysore in their letter No: G.L. 32150 dated 6th December 1918 and G.L. 33464 dated 20.12.18. Mr. Chelluvaraya says that he immediately on the Receipt of the above letters wrote to the Company acknowledging Receipt of Rs: 776-13-4 Realized by the Sale of the G.P. Notes and Requesting the Company to clear the balance due to him. He immediately went to Mysore to secure from

from the Company the letter written by Mr: Chelumiyar. But they were not found in the Company's office and the Correspondence file also has not been kept properly and no Loan Register has been maintained by the Company. The balance Sheet for the period of 12 months ending 31st December 1918 is Signed by Mr: H. B. Ramakrishna Iyengar certified Auditor and by the Directors whose names will be seen from the enclosed printed Balance Sheet. The Company not only endorsed the two G.P. Notes in favour of Mr: Chelumiyar in June 1918 but Requested the Bank of Mysore in September 18 to Sell them & to pay the Sale proceeds to Mr: Chelumiyar without any further Reference. This balance Sheet has been Submitted to the Registrar of the Joint Stock Companies on 28th October 1919. The Company cannot therefore be Said to be ignorant of the fact of the Sale of the two G.P. Notes.

Consequently when the Company knew there was only two Remaining G.P. Notes of the face value of 1500 Rupees at the close of December 1918 G.P. Notes of the face value of 2500 Rupees was falsly Shown as assets. Under the Circumstances ~~those~~ there is in my humble view a clear

clear case under Section 282 of the Companies Regulation.

In the said balance Sheet a dividend of Rs: 333-1-8 had been declared as will be seen in the last item under liabilities when there was a loss to the Company to the extent of Rs. 6949-7-9, the object being to show to the public that the Company was in a prosperous condition.

Again in the same balance Sheet against the items of loans and mortgages the principal amount of loan only viz, Rs: 6400-4-0 has been shown without either adding the interest due thereon till the end of December 1918 or showing the same under a separate item as required under Clause (2) of Section 132 of the Mysore Companies Regulation. When interest on loans due to the Company was shown though it was not recovered, the interest payable by the Company was purposly omitted with a view to show a less amount under liabilities.

A final Report may therefore be placed against the Directors who have signed the said balance Sheet and also against the Auditor whose duty it was to have satisfied himself before certifying to the accuracy of the affairs of the Company

Company and who therefore becomes liable unor Section 282. The original balance Sheet received by the Registrar of the Joint Stock Companies together with the Reports of the Directors and Auditor for which a Requisition was given by me to the Registrar on the 12 th ultimo are herein enclosed.

Regarding the other points referred to in the Report of Mr. M. K. Sampathiengar I beg to submit they may be useful for an offence of cheating which requires a through investigation and examination of all the Share holders of the Company.

sd/- G. Sundararaj Iyengar.
C. I. D. Inspector.
26.11.20.

Government of His Highness the Maharaja
of Mysore.
General and Revenue Secretariat.
Bangalore, Dated 28.4.1920.

No. Gy. 24518/Police, 57-19-30/one enclosure.

From. C. S. Balasundaram Iyer Esq. B.A.
Chief Secretary to the Govt. of His
Highness the Maharaja of
Mysore.

To. F. H. Bowring Esquire.
Deputy Commissioner,
Mysore District.

Sir,

In forwarding herewith a copy of the Special Inspector's Report Regarding the affairs of the Mysore Government Security Marriage and Life Assurance Company Limitted, Mysore, I am directed to State that an offence under Section 282 of the Company's Regulation seems to have been Committed and that as such a good case for further investigation has been made out. I am to request you therefore to direct the local Police to take the Case on file and investigate it once more with particular Reference to the provision referred to above. The Inspector General of Police has been requested to depute a Special officer for the purpose.

I have the honor to be
Sir,
Your most obedient Servant
sd/ T. V. Mahadevayya
for Chief Secretary to Government

To.

H. Mathan Esq B.A.

Chief Secretary to the

Government of His Highness

the Maharaja of Mysore

Bangalore

Sir.

In public interests and

with a view to safe

guard the interests of the

share holders and lenders

holders etc of the company

known as Mysore Govern-

ment Security Life

and Marriage Assurance

D. M. Company Limited carrying

on business in Mysore,

I beg to request that as

the General organising

Received with compts 1/c 11/2

Prof. Jm 12.2.21

Please work up to submit for orders Circle W.A.P.'s report and send to-day

12/2

1/50.

Secretary M. L. Narasimha

and other directors such
as, Mr. K. Srinivasaraghavar
Pleader of Seringapatam.

H. S. Ramakrishnaiengar
certified Government
Auditor etc, all influential
and rich people are
being proceeded against
under section 282 of the
Indian Companies Act.
for submitting false
balance sheet in 1888
to British Resident
of Mysore. I would the
Government advocate
may kindly be directed
to entrench the prosecution.

I beg to remain
Sir
Your most obedient servant
Krishnaiah
Ores Agricultural

Bangalore
10.2.21

● R. S. VI—G/32]

SUBJECT.....

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.....

Diary No. of letter replied to 1735

General and Revenue Secretariat

(Police)

, *the* 191 .

Date of issue 22/2

Signed by M. Pm

Section Police

File No. 57-19

Serial No 41

No. G/6508(1)

To

The Dist Magte,

Mysore (Dist)

Sir,

With reference to the correspondence ending with your letter No. Dr Dis 398/ G 20-21 d/ 8th Feby 1921, regarding the affairs of the Mysore Govt Life and Marriage Assurance Bo, Ltd, Mysore, I am directed to request the favour of

over.

Forwarded herewith a letter received from M V S Sampathlee Press Correspondent dt 10-2-21 and

your opinion in the matter
of deputing the Public
Prosecutor, Mysore, to conduct
the prosecution in the Police
case now before the
Special 1st class Magistrate,
Nandidrug, against
the said company, as suggested
by the Sanjiva Rao

List of enclosures.

Copied by

Examined by

1920

Police. 57-19-42

Office of the District Magistrate,

Mysore District.

Dated, Mysore, 9th March 1921.

From

P.F. Bowring, Esquire,

District Magistrate,

Mysore District.

To

B. Ramaswamaiya, Esquire, B.A., B.L.,

Secretary to the Government of

His Highness the Maharaja of Mysore,

Revenue Department, Bangalore.

Sir,

With reference to your letter No.C.1650E/Pol.57-19-41 dated the 22nd February 1921, I have the honor to state that I think the Public Prosecutor, may well be deputed to conduct the prosecution in the case now before the Special 1st Class Magistrate, Mysore, against the Mysore Government Fire and Marriage Assurance Company Ltd.

I have the honor to be,

Sir,

Your most obedient servant,

Abdul Wajid.

For District Magistrate,

Mysore District.

66254

19

From

The District Magistrate,

Mysore District.

To

The Secretary to Govt.,
Revenue Department,
Bangalore.

Dated 8th March 1921.

Despatched

Received 10 MAR 1921

General No. Jr Fo 435/1920-21

No.

Enclosure No. Nil

Stating that the Services of the public prosecutor are necessary to conduct prosecution in his civil case against the Imperial Security Life & Marriage Assurance Co Ltd - Imperial

Pde 10/3/21

P. 10/3

Pde 1.3

G.R.S. VI–71]

SUBJECT Affairs of the Mysore Govt Security Life & Marriage Assurance Co. Ltd Mysore.

Diary No. of letter replied to 1201

General and Revenue Secretariat
(Police)
, *the* 191 .

Date of issue 8/4

Signed by

May this be

i Printed ?

ii treated as a standing order ?

iii published in the Gazette, English Part ?

iv translated ?

v placed at the disposal of the press ?

vi published in the Gazette, Kannada Part ?

Section Police
File No. 57-19
Serial No. 43

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read—

Correspondence ending with letter No. D2 Dis 435/20-21 d/ 9th March 1921 from the Dist Magte, Mysore Suggesting that ~~stating regarding the affairs of the Mysore Govt Security Life and Marriage Assurance Co, Ltd, Mysore~~

Order Thereon—No.

~~stating that the~~

that the Public Prosecutor Mysore Dist might ~~safely~~ be requested to conduct

re prosecution in the Police
case now before the Special
II-st class Magle, Mysore City,
against the ~~said company~~ Life and
Gen Security Marine
Insurance Co Ltd
Mysore

Order No. 9(9171-2

~~The deputation of the~~
Public Prosecutor, Mysore Dist is
~~hereby~~ directed to
conduct the prosecution in the
case referred to.

M

Dy
11/3 for Rev Secy

To The Dist Magle,
Mysore Dist
The Comptroller

SCB
12/3
Adv
12/3

List of enclosures.

Copied by,

Examined by

WD 1741—GPB—30,000—17-3-19

No. R.O.C.1795/Judl.19-20.

Office of the Deputy Commissioner,
Mysore District.
Dated, Mysore, 15th July 1921.

From

F.F. Bowring, Esquire,

Deputy Commissioner, &
District Magistrate,
Mysore District.

To

B. Rameswamaiya, Esq., B.A., B.L.,

Secretary to the Government of
His Highness the Maharaja of Mysore,
Revenue Department, Bangalore.

Sir,

In continuation of this office No.R.O.C.1795, Judl.1919-20 dated the 21st ultimo, I have the honor to state that the case pending against the Secretary of the Government Security Life Assurance Co., Ltd., could not be heard on the 30th June 1921, to which date, it was posted for hearing owing to the Public Prosecutor having been absent that day on other work in the Sessions Court. The case was therefore adjourned for hearing to the 26th instant.

I have the honor to be,
Sir,
Your most obedient servant,

F.F. Bowring

District Magistrate,
Mysore District.

A.N.

1915

19

From

The District Magistrate,

Mysore District.

To

TheSecretary to Govt.,
Revenue Department,
Bangalore.

Dated 16th July 1921.

Despatched 15 July 1921

Received

General No. R.O.C.1795/Judl.19-20.

No.

Enclosure No.

GEN & REV. SECTT
JUL 1921

Reporting that the case against the Secretary of the Government Security Life Assurance Co.,Ltd.,Mysore, was adjourned to the 26th instant.

PRIVATE
18 JUL 1921

No. Roc 583/24.22 ಪ್ರಕಟಣೆ 10/24 ಸಾಮಾನ್ಯ

1645

Police. 5-1-19-45

171

Office of the District Magistrate,

Mysore District,

Dated, Mysore 24th October 1921.

From

S.Hiriannaiya, Esq. M.A.,B.L.,

Deputy Commissioner, Mysore District.

To

B.Ramaswamaiya, Esq., B.A.,B.L.,

Secretary to the Government of

His Highness the Maharaja of Mysore,

General Department, Bangalore.

Sir,

With reference to the Police case against the organisers of the Mysore Government Security Life and Marriage Assurance Co.Ltd. under Section 282 of the Mysore Companies Regulation, now pending before the Special First Grade Magistrate, Mysore, I have the honor to state that the Public Prosecutor, Mysore Division having in his letter of the 6th instant (copy herein enclosed for information) brought to notice the desirability of summoning Mr.K.S.Iyer Incorporated Accountant, (London), who is said to be an Expert in matters relating to Joint Stock Companies, on behalf of the Prosecution, a reference was made to the Inspector General of Police in the matter enquiring if it would be possible for the Expert's fees and expenses being met from the Police Budget. That Officer has replied to say that the charges in question may be met with the sanction of Government from the grant for secret service and rewards in the Police Budget. As, in the interests of justice, it is very necessary to call in the expert to strengthen the case for the prosecution, I request that you may be so good as to obtain the sanction of Government therefor. The Expert is now said to be in Bangalore.

2. The case stands posted to the 28th instant, and I am instructing the Public Prosecutor, to appear and move for a short adjournment to enable sanction of Government being obtained to the summoning of

15222

1921.22

From

The District Magistrate

Mysore District.

To

The Secretary to Govt.
Revenue Department,
Bangalore.

Dated 24th Octr 21 GEN & REV. S

Despatched 25th " 26 OCT 1921

Received

General No. Roc 583 / 21-22

No.

Enclosure No. 2

Requesting to obtain Sanction of Govt to summon the expert & enclosing copy of letter received from the Public Prosecutor in Mysore, Bangalore.

(172

of the Expert in question.

I have the honor to be,

Sir,

Your most obedient servant,

S. Narayanan Rao

for District Magistrate,

Mysore District.

KSS

(173

Letter No. 216 dated 6th October 1921 from the Public Prosecutor, Mysore Division, to the District Magistrate, Mysore Distr[ict]

The prosecution of M.L.Naganna and others under the Mysore Companies Regulation No.8 of 1917 instituted by Government befo[re] the Special First Grade Magistrate, Mysore is practically coming to a close, in as much as by the re-examination of Auditor Sam[path] Iyengar and C.I.D. Inspector Sundararajaiengar prosecution has no more evidence to offer, in support of the prosecution. Though the correctness and bona fide of the Balance Sheet, which is the subject matter of complaint is open to ~~prove~~ grave suspicion, yet by reason of the fact, that Auditor Sampathaiengar, not having been definite in his views and not having the competency to support his observations by well reasoned and definite statements, my honest conviction is that there arises a grave necessity to examine ~~an~~ an Expert re the points at issue. I am certain that the prosecutor being armed with the logical and technical averments of ~~an~~ an Expert will be in a better position, than otherwise, to bring home the guilt to the Directors of the said Company, and thus place us in position to vindicate the cause of justice and safeguard the interests of the myriads of the public who have fallen victims to the machinations and systematic fraud of the chief organiser - M.L.Naganna, Public policy and public safety demand that no stone should be left unturned to bring the offenders to book. Now that Mr.K.S.Iyer is in Bangalore and is accepted on all ~~hands~~ hand as an Expert and an authority in matters relating to Joint Stock Companies, I very much wish that I may be instructed to summon him as a witness for the prosecution. In the hope that your vi[ews] would be inaccordance with mine, I shall this day file an application before the Special Magistrate, to grant me an adjournment to summon an Expert (without however mentioning the name of the Expert) on the ground that furtherance of justice and fair play demand it. I dare say the learned Magistrate, will grant me the request. I shall be thankful to you if prompt ~~steps~~ steps be kindly taken by you, to instruct me as to the course I have to

74

to adopt in the matter.

Awaiting the favour of an early reply.

"C o p y"

District Magistrate,

Mysore District.

Police 57 19-46

No. Roc 583 J.21-22

Office of the District Magistrate,

Mysore District,

DIARY No 1678

Dated, Mysore 27th October 1922.

From

S.Hiriannaiya, Esq., M.A.,B.L.,

District Magistrate,

Mysore District.

To

B.Ramaswamaiya, Esq., M.A.,B.L.,

Secretary to the Government of

His Highness the Maharaja of Mysore,

General Department, Bangalore.

Sir,

In annexing in the margin post copy of a Telegram I sent you just now, I have the honor to request that you may kindly communicate to me the sanction of Government to summon the Expert Mr.K.Subramanya Iyer for reasons mentioned in this office letter No.R.O.C.583-J.21-22 of the 24/25th instant. As it is understood that the Expert will be leaving Bangalore for Bombay to-morrow and as it is necessary to finish with his examination in the case which comes off for hearing to-morrow the 28th instant, I have instructed the Police to apply to the Court for the issue of summons to him, anticipating sanction of Government, and I request that my action may be kindly approved.

2. I need hardly add that, if the services of the Expert are not secured for to-morrow's hearing, it will entail additional expenditure on Government if he has to be got from Bombay.

I have the honor to be,

Sir,

Your most obedient servant,

S. Narayanaiya

for District Magistrate,

Mysore District.

Draft prepared
The previous file has been
sent to the Revenue Secretary
Mysore. No final reply has already
been received. Copy of this letter
is sent herewith.

28/10

For approval
Gen Secy
Dy Secy 18.10
Secy 28-10-22

28/10

1st member.

28/10/22

Secy 28/10

Secy 28-11

176/531

Immediate

15460

19

From

The District Magistrate,

Mysore District.

To

The Secretary to Govt.
General Department,
Bangalore.

Dated 27th October 1922 REV.

Despatched

Received 28 OCT 1922

General No. ROC 583/21.22 Cash 25/10.

No.

Enclosure No. Put up letter immediately. as regi

'Kindly refer my letter R.O.C. 583 dated 25th instant wire sanction summoning Expert Subramanya Iyer who is expected to leave Bangalore for Bombay to-morrow"

Requesting early orders of Govt to summon Mr: K. Subramanya Iyer, Expert for reasons mentioned herein.

C. Letter dated 27.10.21 Police 57-19-1668 [illegible]

POSTS & TELEGRAPHS.

NOTICE. This form must accompany any inquiry made respecting this Telegram.	Charges to pay. Rs.	As.	Office Stamp. 27 OCT 21 G.T.O.

Handed in at (Office of Origin).	Date.	Hour.	Minute.	Service Instructions.	Words.
mysore	27	15.	55		25

To

Recd. here at 10 H. 25 M.

Genseec Bangalore

Kindly refer my letter R. O. C. 1583 dated. 25th instant wire sanction for summoning expert submarine who is expected to leave bangalore for bombay tomorrow

District magistrate

N.B.—The name of the Sender, if telegraphed, is written after the text.

Lal Chand & Sons—032.—22-5-20—2,50,000 Bks. (Form II).

G.R.S. 28]

178

File No. 57-19

Serial No. 47

Diary No. of letter replied to 1678

Proceedings of the Government of His Highness the Maharaja of Mysore

GENERAL AND REVENUE SECRETARIAT.
(Police)

, *the* 191 .

Date of issue 29/10/21

Signed by Mr. Cag.

READ—

Correspondence ending with letter No. Roc 583/21-22 d/ 27th Octr 1921 from the Dist Magte, Mysore Dist, requesting sanction of Govt to summon the expert Mr. K. S. Iyer to give evidence in the Police case pending before the Spl. 1st class Magte, Mysore City, against the Secretary of the Govt Servants Life & Marriage Assurance Co, Ltd, Mysore, and proposing to meet

ORDER THEREON—No.

GPB—50,000—1-12-13

79

the cost from the Budget
of the Police Dept- and regn-
approval of the
Govt in having
instructed the Police
Dept- in anticipation
of sanction of Govt

Order No. 3109-11
Sanctioned.

Cur
28-10-11

28/10/11

For Genl Secy

To The D. M. Mysore Dist-
The D-G- of Police
The Comptroller

28/10

Police 57-1-V

3868

No. 1513 I

21-22

OFFICE OF THE DEPUTY COMMISSIONER,
MYSORE DISTRICT.

Dated, Mysore, 7th April 1922. *192*

From

P.F. Bowring, Esq.,
Deputy Commissioner, Mysore District.

To

K. Matthan, Esq., B.A.,
Chief *Secretary to the Government of His Highness*
the Maharaja of Mysore, Bangalore.

SIR,

In enclosing a copy of a communication dated the 4th April 1922 received from Mr. K.S. Iyer of Bombay I have the honor to request that the sanction of Government may be obtained to incur the expense amounting in all to Rs 536-8-0, as if we do not do so, the accused may get off on appeal on a technical point as he has a right to Cross-examine prosecution witness after a charge has been framed. It may also be added that if the case ends in a conviction, we may press for a heavy fine to recoup the above amount.

I have the honor to be,

Sir,

Your most obedient servant,

P.F. Bowring

District Magistrate,

Mysore District.

JUDICIAL AND R 49936

10 APR 1922

19

From JUDICIAL BRANCH

The Deputy Commissioner,
Mysore District.

To *Chief*
The Secretary to the Government
of Mysore, Bangalore.

Dated 7 April 1922

Despatched

Received 10 APR 1922

General No. C. No 1513/J21 22
No.

Enclosure No. I

Requesting that Sanction may be obtained from the Govt to pay Mr K.S. Iyer Rs 536/8 his P.a. to allow him Spl Tr Class Conveyance in connection with his Case against the Mysore Govt Security Life & Marriage Assurance Co.

D.O. letter dated 4th April 1922, from Mr. K.S. Aiyar Accountant and Auditor, Bombay, to the Police Inspector, Bangalore City.

Yours of the 31st March. It is exceedingly inconvenient for me to leave Bombay in April, on account of important official and professional engagements; and if I go ~~xxxxxxxx~~ to Mysore this month, I shall have to return to Bombay at once before the 23rd. It will, therefore, be a tedious journey for me to go and return which I would fain avoid. However, I am willing to utilise my Easter Holidays, start on 13th or 14th and be at Mysore on 17th; give evidence on that day and if necessary, on the 18th also, and return at once to Bombay so as to reach here by 21st or 22nd. I must, however, be enabled to travel in comfort and not be out-of-pocket.

2. My terms will, therefore, be (1) a fee of Rs.200 for the first day of my stay in Mysore and a fee of Rs.100 per day for every additional day I am asked by the Court to stay in Mysore, and (2) Travelling allowance from Bombay to Mysore and Back from Mysore to Bombay, on the scale allowed by your State Regulations for Deputy Commissioners i.e., double First Class railway fare and daily batta allowance for such officers. Kindly consult the authorities, and wire to me that my charges will be paid, as above, and I shall arrange to attend Court in Mysore on 17th instant, and shall further wire back in reply to your wire.

3. My telegraphic address is "Ayarcoy, Bombay". A telegram to that address will reach me, whether I am in office or at home.

"Copy"

Venkatarama Iyer

For District Magistrate,
Mysore District.

Police 57-19-mtc

3898
9

K'a-c No. 1795
/19-20.

182

OFFICE OF THE DEPUTY COMMISSIONER,
MYSORE DISTRICT,
Dated, Mysore, 8th April 1922. 192

From

P.F. Bowring, Esq.,
District Magistrate &
Deputy Commissioner, Mysore District.

To

S. Hiniannaiya, Esq., M.A., B.L.,
Secretary to the Government of His Highness
the Maharaja of Mysore, Bangalore.
General Department.

SIR,

This is a reply to reminder and will be kept in the main file.

With reference to your reminder D.O. letter No. J.4606/P. dated the 31st March 1922, calling for a reply regarding the affairs of the Mysore Government Life and Marriage Assurance Co., Ltd., Mysore, I have the honor to state that the accused have been charged and the case has been practically closed. But they have now as a matter of right, asked for one Prosecution Witness - an Expert in Accountancy and Banking - being recalled for purposes of Cross-Examination. This Expert has written to say that he will make it convenient to come to Mysore on the 17th instant, provided his expenses and fees amounting in all to Rs 536-8-0 are paid. A separate reference has already been made to Government in this matter and their orders are awaited.

2. It is expected that the case will be disposed of after the Cross-Examination of the above said witness by the defence.

I have the honor to be,
Sir,
Your most obedient servant,

District Magistrate,
Mysore District.

A.N.

50175

19

From

The Deputy Commissioner,

Mysore District.

To General

The Secretary to the Government

of Mysore, Bangalore.

Dated 8th April 1922

Despatched 10

Received

REV & REV. SEC
12 APR 1922

General No. K.O.C 175/1919-20.

No.

Enclosure No. 1

Reports the stage in which the case against the Mysore Government Life and Marriage Assurance Co.,Ltd., stands.

G.R.S. VI G 34]

SUBJECT.....

.....

.....

Diary No. of letter replied to 3862

Section Police.

File No. 57-19

Serial No. 50

General and Revenue Secretariat

(Police)

Proceedings of the Government of His Highness the Maharaja of Mysore

, *the* 192

Date of issue.... 15/4/22

Signed by... Mr Carr

Read—

G.O. No. J-2209-11/Police 57-19-47 d/29.12.21 acknowledging the receipt of the Govt Advocate Mysore's proposal to secure the services of Mr. K.S. Iyer of Bombay to give expert evidence in the Police case pending before the Special 1st class Magistrate, Mysore City, against the Secy. of the Govt Security Life & Marriage Assurance Co, Ltd, Mysore, ~~& debiting the cost to the budget of the Police Department~~

May this be

i Printed ?

ii treated as a standing order ?

iii published in the Gazette, English Part ?

iv translated ?

v placed at the disposal of the press ?

vi published in the Gazette, Kannada Part ?

Order thereon No.

Letter No. C 1513/3-21-42
dt 7th April 1942 from
the Deputy Commr, Mysore
Dist; forwarding copy of
letter received from Mr X.S.
Iyer of Bombay and re-
questing sanction to incur
an expense of Rs 536-8-0
for summoning the said
expert Mr Ramanathan,
~~to give evidence~~
~~in the above case and giving~~
~~or for hearing before~~
~~the Special First Class Magistrate~~
~~Court, Mysore City.~~

Order No. J 4760-2
Sanctioned; ~~the~~
~~cost being debited~~
~~to the Police Dept.~~

sd
15/4

For Genl Secy

To the Deputy Commr, Mysore Dist
The D. G. of Police.
The Comptroller.

List of enclosures.

Copied by

Examined by

SBR
15/4

WD 1083—GPB—1,000,00—21-12-21

No. 8 185

OFFICE OF THE DEPUTY COMMISSIONER,
MYSORE DISTRICT,
Dated, Mysore 26th May 1926 192

From

P.F. Bowring, Esq.,
Deputy Commissioner, Mysore District.

To

S. Hiriannaiya, Esq., M.A., B.L.,
Secretary to the Government of His Highness
the Maharaja of Mysore, Bangalore.
General Department.

SIR,

With reference to your D.O. Letter No.J.5490/Pol. dated the 25th instant, calling for a report regarding the affairs of the Mysore Government Life and Marriage Assurance Co., Ltd., Mysore, I have the honor to state that Judgment was delivered yesterday by the Special First Class Magistrate, Mysore, in the case under reference.

2. All the five accused were convicted under Section 282 of the Mysore Companies Regulation VIII of 1917 and sentenced to various terms of imprisonment as below:-

Accused 1 to 4 convicted in respect of 3 counts.

1st accused M.L. Naganna. Sentenced to one year's rigorous imprisonment in respect of each of the first two counts, and for the 3rd count one year's rigorous imprisonment and a fine of Rs.800/- and in default, to 6 months' rigorous imprisonment.

2nd & 4th accused.
K.Srinivasa Iyengar,
M.S. Channabasappa. Each sentenced to six months' rigorous imprisonment in respect of each of the first two counts and for the 3rd count six months' Rigorous Imprisonment and a fine of Rs.250/-, in default, to six months' rigorous imprisonment.

3rd accused.
H.Venkatakrishnappa. Six months' simple imprisonment in respect of each of the first two counts, and for the third count, six months' simple imprisonment and a fine of Rs.250/- in default to 6 months' rigorous imprisonment.

647/8

19

From

The Deputy Commissioner,
Mysore District.

To

The Secretary to the Government
of Mysore, Bangalore.

Dated General Department.

Despatched 26th May 1922.

Received

General No.

No.

Enclosure No.

Reports that the case against M.L. Naganna & 4 others ended in a conviction.

5th accused.

H.B.Ramakrishna Iyengar. Nine Months' rigorous imprisonment and a fine of Rs.300/- and in default to 6 months' rigorous imprisonment more.

The sentences of imprisonment in the case of the accused 1 to 4 will run concurrently.

3. A copy of judgment in the case will be sent separately when received.

I have the honour to be,

Sir,

Your most obedient servant,

District Magistrate,

Mysore District.

A.N.

65 28

Pol 57-19-50

6532

OFFICE OF THE
INSPECTOR-GENERAL OF POLICE IN MYSORE.
Dated Bangalore, the 6th June *192* 2.

No. C.15-10/19

Encl: one

From

A. Subrahmanya Iyer, Esq., B.A.,
Inspector-General of Police in Mysore,
Bangalore.

8 JUN 1922

JUDICIAL AND REVENUE SECRETARIAT
RECEIVED
8 JUN 1922
JUDICIAL SECTION

To

Sir Hiriannaiya, Esq., M.A., B.L.,
General
Revenue Secretary to the Government of His Highness
the Maharaja of Mysore, Bangalore.

SIR

With reference to Government Order No.J.4760-2/Police 57-19-50 dated 15th April 1922 sanctioning an expenditure of Rs. 536-8-0 for examining Mr. K.S.Iyer as an expert in C.C.No. 198 of 20-21 (Government Vs. M.L.Naganna and four others) under the Mysore Company's Regulation VIII of 1915 on the file of the Special First Grade Magistrate, Mysore, I have the honor to forward herewith for the information of Government copy of letter No.315 dated 27th Ultimo received from the Assistant Superintendent of Police, Lysore City, reporting the conviction in the above case.

I have the honor to be,
Sir,
Your most obedient servant,

Asst. to the Inspector General of Poli
For Inspector General of Police,
Absent from Head Quarters.

188

Letter No. 315 dated 27-5-1922 from the Assistant Superintendent of Police, Mysore City, to the Inspector General of Police, in Mysore.

*****

I have the honour to state that judgment was delivered in the marginally noted case on 25-5-1922 by the Special First Class Magistrate, Mysore, and the accused were convicted and sentenced to undergo imprisonment as follows:-

1st accused: sentenced to 1 year rigorous imprisonment for each of the first two counts and for the third count, one year rigorous imprisonment and a fine of 800 rupees or in default of payment, to suffer 6 months rigorous imprisonment more.

2nd and 4th accused: each sentenced to 6 months rigorous imprisonment for the first two counts and 6 months rigorous imprisonment and a fine of 250 rupees for the third count and in default of payment of fine, 6 months rigorous imprisonment more.

3rd accused: 6 months rigorous imprisonment in respect of first two counts and for the third count, 6 months rigorous imprisonment and a fine of Rs 250/- and in default. to 6 months rigorous imprisonment more.

N.B.

1. Accused 1 to 4 were convicted in respect of 3counts.

2. The substitute sentence of imprisonment in the case of accused 1 to 4 will run concurrently.

5th accused: 9 months rigorous imprisonment and a fine of Rs 300/- and in default, to 6 months rigorous imprisonment more.

'Copy'

for Inspector General of Police.

mr

C. C. no 198/20-21. Complainant-Government. Mysore Cantonment Magistrate Appellate VIII A 1917.
Accused
1 H.C. Nagappa
2 K. Srinivasaiya
3 H. Venkatakrishnaiah
4 M.S. Chennakeshavaiah
5 H.D. Ramakrishnaiah

Pol 57-19-53

R.O.C No. 1795/19-20

4924

OFFICE OF THE DEPUTY COMMISSIONER,
MYSORE DISTRICT,

Dated, Mysore, June *1922.*

From

P.F. Bowring, Esq.,
District Magistrate &
Deputy Commissioner, Mysore District.

To

S. Hiriamnaiya, Esq., M.A.,B.L.,
Secretary to the Government of His Highness
the Maharaja of Mysore, Bangalore.
General Department.

SIR,

In continuation of my letter No. 1795/19-20 dated the 26th May 1922, reporting the result of the case against M.L. Naganna and four others under Section 282 of the Mysore Companies Regulation VIII of 1917, I have the honor to forward herewith for the information of Government a copy of JUDGMENT in the said case.

I have the honor to be,

Sir,

Your most obedient servant,

District Magistrate,
Mysore District.

A.N.

19

From

The Deputy Commissioner,
Mysore District.

To

The Secretary to the Government
of Mysore, Bangalore.

Dated 22 June 1922.

Despatched 23rd June 1922.

Received 24 JUN 1922

General No. Poc 17457

No. 8-9-20

Enclosure No. No enquiry

Submits a copy of judgment passed by the Special 1st Class Magistrate, Mysore, against M.L. Naganna and four others.

SECRETARIAT
24 JUN 1922
JUDICIAL BRANCH.

190, 191 & 192

D.O. 42

24 1920

THE RESIDENCY,
BANGALORE.
30th June 1922

Subject:- Mysore Government Security Life and Marriage Insurance Company Ltd., Mysore.

Dear Mr. Matthan,

With reference to the correspondence ending with Mr. Balasundaram Iyer's letter No. Pol. 1418, dated the 30th June 1920, I am desired to enclose a copy of a Demi Official letter No. 3027, dated the 14th June 1922, from the Actuary to the Government of India, Simla, regarding the case in which the Chief Secretary and the Directors, along with the Auditor of the above Company are reported to have been convicted of issuing a false balance sheet and sentenced to varying terms of imprisonment. I am to request that, if there is no objection, you will be so good as to furnish me with information

asked

G. R. S. VI—C/32]

193

SUBJECT.....

.....

.....

Diary No. of letter replied to——————

General and Revenue Secretariat

( )

, *the* 191 .

Date of issue 6.7.1922

Signed by Mr B. Venkoba Rao

R

Section Police.

File No. 54-19

Serial No 54

No. Pol 2 / Conf 1

To

The Secy to the Govt of Kerala

Sir,

With ref to your D.O No 42 dated 30.6.22, & in continuation of this office no Pol 1418, dated 30.6.1920, regarding the proceedings against the Supreme Govt Secured Life & Marriage Assurance Co, Ltd, Supreme, I am directed to forward herewith, as desired, a copy of the judgment in the case against the Company over.

I have etc

for Secy to Govt

Mem
3.7.22